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[ISSUED THURSDAY, 14TH AUGUST, 1919.]



COMMONWEALTH OF AUSTRALIA. Parliament

# PARLIAMENTARY DEBATES.

SECOND SESSION, 1917-18-19.

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# SEVENTH PARLIAMENT.

SECOND SESSION.

## Governor-General.

His Excellency the Right Honorable Sir RONALD CRAUFURD MUNRO FERGUSON, a Member of His Majesty's Most Honorable Privy Council, Knight Grand Cross of the Most Distinguished Order of Saint Michael and Saint George, and Commander-in-Chief in and over the Commonwealth of Australia.

## Australian National War Government.

(From 17th February, 1917, to 8th January, 1918.)

Prime Minister and Attorney-General	...	The Right Honorable William Morris Hughes, P.C.
Minister for the Navy	...	The Right Honorable Joseph Cook, P.C.
Treasurer	...	The Right Honorable Sir John Forrest, P.C., G.C.M.G.
Minister for Defence	...	The Honorable George Foster Pearce.
Vice-President of the Executive Council	...	The Honorable Edward Davis Millen.
		<i>Succeeded by</i>
Minister for Repatriation	...	The Honorable Littleton Ernest Groom (16th November, 1917).
Minister for Works and Railways	...	The Honorable Edward Davis Millen (from 28th September, 1917.)
Minister for Home and Territories	...	The Honorable William Alexander Watt.
Minister for Trade and Customs	...	The Honorable Patrick McMahon Glynn, K.C.
Postmaster-General	...	The Honorable Jens August Jensen.
Honorary Minister	...	The Honorable William Webster.
Honorary Minister	...	The Honorable Littleton Ernest Groom.
		The Honorable Edward John Russell.

## Australian National War Government.

(From 10th January, 1918.)

Prime Minister and Attorney-General	...	The Right Honorable William Morris Hughes, P.C., K.C.
Minister for the Navy	...	The Right Honorable Sir Joseph Cook, P.C., G.C.M.G.
Treasurer	...	The Right Honorable Lord Forrest, P.C., G.C.M.G.
		<i>Succeeded by</i>
Minister for Defence	...	The Honorable William Alexander Watt (27th March, 1918).
Minister for Repatriation	...	The Honorable George Foster Pearce.
Minister for Works and Railways	...	The Honorable Edward Davis Millen.
Minister for Home and Territories	...	The Honorable Littleton Ernest Groom.
Minister for Trade and Customs	...	The Honorable William Alexander Watt.
		<i>Succeeded by</i>
Postmaster-General	...	The Honorable Littleton Ernest Groom (27th March, 1918).
Vice-President of the Executive Council	...	The Honorable Patrick McMahon Glynn, K.C.
		The Honorable Jens August Jensen. <sup>†</sup>
		<i>Succeeded by</i>
Honorary Minister	...	The Honorable William Alexander Watt (13th December, 1918).
		<i>Succeeded by</i>
Honorary Minister	...	The Honorable Walter Massey Green (17th January, 1919.)
Honorary Minister	...	The Honorable William Webster.
Honorary Minister	...	The Honorable Littleton Ernest Groom.
		<i>Succeeded by</i>
Honorary Minister	...	The Honorable Edward John Russell (27th March, 1918).
		(Appointed Vice-President of the Executive Council, 27th March, 1918.)
Honorary Minister	...	The Honorable Alexander Poynton.*
Honorary Minister	...	The Honorable George Henry Wise.*
Honorary Minister	...	The Honorable Walter Massey Greene.*
		(Appointed Minister for Trade and Customs, 17th January, 1919.)*
Honorary Minister	...	The Honorable Richard Beaumont Orchard.*

Appointed 26th March, 1918.—<sup>†</sup>Removed from office, 13th December, 1918.—\*\*Resigned from office, 31st January, 1919.

## Senators.

President—Senator the Honorable Thomas Givens.

Chairman of Committees—Senator John Wallace Shannon.

<sup>1</sup> Bakhap, Thomas Jerome Kingston (T.)	Lynch, Hon. Patrick Joseph (W.A.)
Barker, Stephen (V.)	Maughan, William John Ryott (Q.)
Barnes, John (V.)	<sup>1</sup> McDougall, Allan (N.S.W.)
Bolton, Lieut.-Col. William Kinsey (V.)	Millen, Hon. Edward Davis (N.S.W.)
Buzacott, Richard (W.A.)	<sup>†</sup> Mulcahy, Hon. Edward (T.)
Crawford, Thomas William (Q.)	Needham, Edward (W.A.)
De Largie, Hon. Hugh (W.A.)	<sup>1</sup> Newland, John (S.A.)
Earle, Hon. John (T.)	O'Keefe, Hon. David John (T.)
Fairbairn, George (V.)	O'Loughlin, Lieut.-Col. Hon. James Vincent, V.D. (S.A.)
Ferricks, Myles Aloysius (Q.)	Pearce, Hon. George Foster (W.A.)
Foll, Hattil Spencer (Q.)	Plain, William (V.)
Gardiner, Hon. Albert (N.S.W.)	Pratten, Herbert Edward (N.S.W.)
Givens, Hon. Thomas (Q.)	Reid, Matthew (Q.)
Grant, John (N.S.W.)	Rowell, Col. James, C.B. (S.A.)
Guthrie, Robert Storrie (S.A.)	Russell, Hon. Edward John (V.)
Guy, James (T.)	Senior, William (S.A.)
Henderson, George (W.A.)	Shannon, John Wallace (S.A.)
Keating, Hon. John Henry (T.)	Thomas, Hon. Josiah (N.S.W.)
* <sup>1</sup> Long, Hon. James Joseph (T.)	

1 Appointed Temporary Chairman of Committees, 12th July, 1917.—\* Resignation reported, 20th December, 1918.

<sup>†</sup> Appointed by State Parliament 15th January, 1919.—Sworn 26th June, 1919.

**Mr. WEST.**—I shall withdraw that remark, sir, and say that if I had a legal opportunity I would describe the procedure of the Government as dishonest. Had a sum of £44,000 been placed on the Estimates for the transfer of the note printing branch this House would never have passed the line; but the proposed expenditure has been sneaked in after a manner which is certainly not creditable to the Government. The principle on which we should base our attitude in regard to works of a permanent character in connexion with Commonwealth administration is that no expenditure in such a direction should be permitted outside Canberra. It would not be necessary to resume land at Canberra. It is ready for us to build on. The Commonwealth Government should not assist the land-owners of Melbourne to get higher prices for their holdings. Land is too dear in Melbourne now, and the Commonwealth Government should not step in and make it more expensive by purchasing sites here. We should display a better spirit than that. I understand that the proposed site at Fitzroy is not paid for because the trustees disagree with the amount the Government are offering. There are German interests concerned. The Government, although they are fond of talking about German interests, have gone to German owners of property to buy land to build a printing office on.

**Dr. MALONEY.**—This association sent thirty boys to the Front.

**Mr. WEST.**—I am not saying anything about what the association has done, but I am convinced that very few members here are pleased with the action of the Government in the matter. Except a few members who want to live next door to Parliament House, every one in this chamber, if he expressed his honest conviction, would say that Parliament should go to Canberra. It would be in the interests of the country, and make for better legislation, if we went there as soon as possible, because Parliament would meet there in an atmosphere that we cannot get in any of the big cities.. Holding these views, I should be a traitor to the interests of Australia and to my constituents if I did not take the course I intend to take now. I honestly believe that what

I am doing is the right thing for Australia. I hope the House will throw out both the amendment and the motion, and give the Government an opportunity to put electric light into the building they already have, and strengthen the floors. That would make it a place in which note and stamp printing could very well be done.

Debate (on motion by Mr. SAMPSON) adjourned.

#### CUSTOMS BILL.

Motion (by Mr. GREENE) agreed to—

That leave be given to bring in a Bill for an Act to amend the Customs Act 1901-1916.

Bill presented, and read a first time.

#### ADJOURNMENT.

**TEMPORARY EMPLOYEES: DEPARTMENT OF WORKS AND RAILWAYS.**

**Mr. GROOM** (Darling Downs—Minister for Works and Railways and Acting Attorney-General) [10.17].—I move—

That the House do now adjourn.

The business to-morrow will be the second reading of the Customs Bill, with which we want to proceed directly into Committee, and then take it through its remaining stages. The next business will be the Institute of Science and Industry Bill, after which we shall follow the order of the notice-paper.

**Mr. RILEY** (South Sydney) [10.18].—A number of temporary clerical hands in the Department of Works and Railways are working under an award of the Arbitration Court. When travelling, they have been accustomed to get travelling expenses and overtime, because that is the award of the Court. The Department, or the Minister, however, has read into that award the direction that temporary men are not entitled to those privileges. That, I submit, is an injustice inflicted on a large number of Government employees, and is breaking the spirit of the award.. If permanent men are entitled to those advantages, surely casual hands are equally entitled to them.

**Mr. GROOM.**—I shall inquire into the matter.

Question resolved in the affirmative.

House adjourned at 10.19 p.m.

**Senate.**

*Friday, 8 August, 1919.*

The PRESIDENT (Senator the Hon. T. Givens) took the chair at 11 a.m., and read prayers.

**PROFITEERING.**

Senator GARDINER.—I ask the Leader of the Government in the Senate whether it is the intention of the Government to immediately take steps to prevent the enormous increases in the prices of foodstuffs and the necessities of life?

Senator MILLEN.—The honorable senator is well aware, judging by the speeches he has made in the Senate on this subject, of the limited constitutional powers which the Government enjoy in this respect.

Senator O'KEEFE.—I ask the Leader of the Senate whether he noticed in yesterday's newspapers a statement attributed to the Prime Minister (Mr. Hughes), in a speech which he delivered at Durban, to the effect that he was returning to Australia to fight relentlessly and to the end, with tooth and claw, the Bolsheviks and profiteers. Does not the Leader of the Senate think that the Prime Minister is misleading the people of Australia, in view of the answer given to Senator Gardiner's question to the effect that there is no power under the Federal Constitution to enable the Government to fight the profiteers?

Senator MILLEN.—I can understand the honorable senator's perturbation at the announcement that the Prime Minister is coming back to fight the Bolsheviks and profiteers. I submit that he might with more propriety address his question to the Prime Minister himself on his return.

Senator GARDINER.—I ask the Leader of the Senate whether the fact that the promises and threats in the speeches made by the Prime Minister during the last few months trend in that direction is responsible for the reported retirement of Senator Millen and Mr.

Watt, the representatives of the profiteers in the present Government.

Question not replied to.

Senator GARDINER.—In view of Senator Millen's answer to my first question, that the Government have not the constitutional power to deal with the increase in the prices of foodstuffs, and in view of the fact that they are extending the powers of the War Precautions Act to deal with wool, wheat, butter and metals—

Senator PRATTEN.—Not with metals.

Senator GARDINER.—Then with wool, wheat, and butter—

Senator RUSSELL.—And flax.

Senator GARDINER.—And flax, will the Government extend the powers assumed in this way to deal with those things which the poorer classes in the community have to purchase.

Senator MILLEN.—I suggest that it must be quite obvious, even to Senator Gardiner, that there is no similarity between legislation respecting the matters covered by the Bill to which he refers and the general fixation of prices. The Bill is necessary to enable us to wind up all these undertakings in connexion with which contracts were entered into, in which the Commonwealth Government is financially involved. It is, on the advice of our legal advisers, competent for us to do that as being relative to the war, but that by no means implies that we have the power to go outside the provisions of the Constitution.

Senator BAKHAP.—I ask the Leader of the Senate whether the Government is able to furnish, through the Statistical Department or otherwise, any proof that bread is cheaper in Australia than it is in every other country of the world at the present time.

Senator MILLEN.—It is possible to obtain the statistical information, but as it is well within the knowledge of every honorable senator and every citizen outside, I question very much whether it would be desirable to go to any trouble to obtain it.

Senator BAKHAP.—It is a fact, then?

Senator MILLEN.—It is a fact.

Senator BAKHAP.—That is all I wanted to elicit.

### THE PEACE LOAN.

Senator McDougall.—I ask the Leader of the Government in the Senate whether it is a fact, as stated in to-day's newspapers, that the Treasurer contemplates advertising the Peace Loan by a short address in church on 31st August. If so, will he inaugurate a friendly competition, and have the same advertisement at the races on 30th August, to see where he can get most money?

Senator MILLEN.—I have not seen the statement referred to, but if the honorable senator will give me an opportunity of doing so, I shall bring it under the notice of the Treasurer.

### DONATION BY FRENCH MISSION.

Senator McDougall.—I ask the Leader of the Senate whether it is a fact, as stated in the press, that the French Mission made a donation of £1,000, to be distributed amongst the widows and orphans of Australian soldiers. If so, has anything been done in the matter, and how has the money been distributed?

Senator MILLEN.—I know that it is a fact that the French Mission, on leaving Australia, did leave such a donation, and for the purpose indicated. I am not in a position to say what has been done in connexion with its distribution, but I shall endeavour to obtain the information for the honorable senator.

### PUBLIC SERVICE.

#### BARNET INQUIRY.

Mr. Barnes.—Is the Leader of the Government in the Senate in a position to give me any information in reply to the question I asked yesterday with respect to the dismissal of certain persons from the Commonwealth Public Service as a result of the inquiry by Mr. Barnet?

Senator MILLEN.—The honorable senator will recognise that, owing to the early meeting of the Senate to-day, there has not been much time to obtain a reply to his question. I have put the inquiry on foot, but I am not yet in possession of the information for which he asked.

### ADJOURNMENT (Formal).

#### PROFITEERING IN LEATHER.

The PRESIDENT (Senator the Hon. T. Givens).—I have received from Senator Gardiner an intimation that he desires to move the adjournment of the Senate to discuss a definite matter of urgent public importance, namely, "The serious situation that has arisen in connexion with the increases in the prices of hides, leather, and footwear."

Senator GARDINER (New South Wales) [11.10].—I move—

That the Senate, at its rising, do adjourn till 11 a.m. to-morrow.

*Four honorable senators having risen in their places in support of the motion,*

Senator GARDINER.—I desire to call attention to the very serious situation which has arisen, and the seriousness of which will be considerably accentuated unless some definite, prompt, and, I may say, drastic action is taken by the Government to prevent the profiteering that is now rampant throughout Australia. Of course, the prices of hides, leather, and boots have been increased only in common with the prices of other necessities for the people of this country, but in view of the conditions under which I discuss the matter, I wish directly to show that now that the war is over, there is a very grave danger of the people of Australia having to submit to the hardship, of going without footwear and other necessities, which the people of other countries had to submit during the war. There is no occasion to reiterate the statement, but I am one of those who believe that the Senate of Australia should put Australia first.

Senator BAKHAP.—When has it ever failed to put Australia first, considering Australia's interest in the Empire?

Senator GARDINER.—If Senator Bakhap holds such views, he will support, at any rate by his voice, the view which I am trying to express to the public at the present time, and that is that if Australia is to be put first the people of this country should have an opportunity to secure at a reasonable price the things which are necessary to enable them to live.

Senator BAKHAP.—So they can, in respect to what they produce themselves;

but they have to pay pretty dearly for much that is imported.

Senator GARDINER.— Senator Bakhap, with wider vision than most of us, overlooks the little inconveniences and difficulties which the people have to put up with. Any one with an eye, however, can see what is happening to-day. Business men, following accepted business methods, are purchasing supplies from one end of Australia to the other, and are sending them to other parts of the world, where they can get more for them than they could get here. That is a condition of affairs which this Parliament and the Government should prevent before the markets of Australia are depleted to such an extent, and the prices of commodities so raised as to put them beyond the purchasing power of the people generally. There should be no two opinions in this Parliament as to the desirability of such action. I intend to submit a few figures to indicate the prices charged for leather. What I have to say concerning leather applies with equal force to tweeds, serges, jams and preserves, and to all commodities that can be exported. Commercial men are sending their agents around, buying wholesale and entering into contracts, a year, at least, in advance, and Australia is being depleted of the very necessities of life for her people in the interests of trade. I venture to say that this is not a party question, and we can all join in trying to find a remedy for what is going on.

To show the prices charged for leather, I quote the following from No. 9 Report, on boots and shoes, submitted by the Inter-State Commission:—

THE FOLLOWING TABLE SHOWS THE PRICES REALIZED AT AUCTION FOR STANDARD BRAND NEW SOUTH WALES BUTCHERS' HIDES DURING THE MONTHS INDICATED:—

Date.	Weights.			
	25-42 lbs.	43-48 lbs.	49-56 lbs.	57 lbs. and over.
per lb.	per lb.	per lb.	per lb.	
s. d.	s. d.	s. d.	s. d.	
July, 1914	0 8 <i>1</i> <sup>2</sup>	0 8 <i>1</i> <sup>2</sup>	0 7 <i>1</i> <sup>2</sup>	0 7 <i>1</i> <sup>2</sup>
December, 1916	..	0 10 <i>1</i> <sup>2</sup>	0 10 <i>1</i> <sup>2</sup>	0 10 <i>1</i> <sup>2</sup>
February, 1917	1 1 <i>1</i> <sup>2</sup>	0 11 <i>1</i> <sup>2</sup>	1 0	1 0
August, 1917 (fixed prices)	0 11	0 10 <i>1</i> <sup>2</sup>	0 10 <i>1</i> <sup>2</sup>	0 10 <i>1</i> <sup>2</sup>

What has happened since? What are the prices to-day?—

9th May, 1919, 10*1*<sup>2</sup>d.; 16th May, 1919, 15*1*<sup>2</sup>d.; 23rd May, 1919, 17d.; 1st August, 1919, 19d. Even before the regulations were lifted, shrewd business men with an inside knowledge of the possibilities of the market—I am not throwing accusations about in this connexion—and knowing that with the ending of the war this Parliament would not have constitutional power to deal with prices, purchased this commodity in large quantities for export to other countries. I do not object to business men making money in a legitimate manner, but I do object to Australia being depleted of a commodity so necessary for the welfare of its people. Are we to sit down idly and allow the raw material required for the manufacture of boots and shoes to be sent out of the country to such an extent as not to leave sufficient here for our own needs? If the profit on this transaction is sufficient, the process which I am complaining of will continue. Of course we will be met with the argument that we should not object to the primary producer getting the full market value for his produce, but in reply I say that the primary producer is getting very little of this increase in prices.

Senator FAIRBAIRN.—Hear, hear!

Senator GARDINER.—The profiteer—the man who operates in the market to his own advantage—gets the benefit of this increase. He does nothing to increase production. It may be true that in the past he has proved useful in bringing producer and consumer together, but the war showed us that the Government of this country could do all this work much more satisfactorily to both producer and consumer; that we could dispense with the services of the astute business man, whose one aim, after all, is merely to make profits for himself. I am not sufficiently acquainted with the leather industry to discuss in detail the respective values of leathers employed in the manufacture of boots and shoes, but I am told that for glacé kid the price before the war was 1s. 3d. per square foot, and the present price is 6s.—an increase of 400 per cent. The prices for other classes of leather have increased correspondingly, and these rates will keep on rising unless the Go-

vernment realize the seriousness of the position. With price fixing removed, and the markets of the world being exceptionally good, there is grave danger of the Australian market being depleted of the raw material. The warehouses overseas are now practically empty, so the demand for leather is exceptionally keen. But are we going to allow the Australian people to undergo serious hardships owing to the export of our raw materials merely that the trade speculator—not the primary producer—may get enormously increased prices? Senator Millen will say, no doubt, that the Commonwealth Government have no constitutional power to deal with trade within a State.

Senator MILLEN.—You said so just now yourself.

Senator GARDINER.—I know that, but it is the duty of the Government in these circumstances to immediately ask the people to give them the necessary power. There never was a more favorable opportunity. I am certain that if the Government consulted both Houses of the Parliament, and devised a scheme to meet this grave emergency, their action would have an excellent effect upon the present situation, and that if the question were submitted to the people those powers so necessary for the proper government of this country would be conferred upon the Government by an enormous majority.

The situation is growing more serious every day. It is no use shutting our eyes to what is happening; it is no use measuring the sufferings of the community by our own personal feelings. My position is, perhaps, as good as it has ever been. I do not feel to an exceptional extent the increased cost of living; but I know that the wage-earning section of the community, and those hundreds of thousands of men who went away to fight for this country and the Empire, realize fully what hardship is imposed upon them when they find that the sovereign which could purchase 20s. worth of commodities before the war will now purchase only about 10s. worth. If we want to do the fair thing by our soldiers, the Government should have the necessary power to control prices. Some people may

say, "Leave our soldiers alone. We will reward them." Our soldiers are not looking for any bribes or rewards.

Senator DE LARGIE.—And it is no use holding out bribes to them, either.

Senator GARDINER.—But they are entitled, at all events, to expect that the cost of living shall be something like what it was when they left to fight for this country and the Empire. They expect to be protected from the profiteers, who have more than doubled the cost of some commodities. It is remarkable that the boot manufacturers themselves claim that they are not making anything out of these high prices. A man who is producing at a fair cost, and desires to keep the retail price down to reasonable limits, finds, under the present circumstances, that his goods are snapped up by the profiteers for exportation; so that, actually, he is producing for the benefit of profiteers. It is not possible, however well-intentioned a fair-minded manufacturer may be, to do the right thing by the people; he is compelled to fix his price at market rates in order to prevent his goods being handled by speculators for their own profit.

Senator Colonel ROWELL.—That is only your own statement. Have you any proof?

Senator GARDINER.—The proof lies in the fact that every intelligent person knows that what I am saying is the truth. There can be no escape from the position. If, for instance, I were selling books at 1s. each, and were making a reasonable profit, and if other people knew that those books would return 2s. on the other side of the world, it is certain that, by direct or indirect methods, exporters or their agents would obtain them for exportation, and the equivalent of the increased price on the other side of the world would be charged to the general public of this country. The same conditions obtain in the boot manufacturing industry. In my own State, one big warehouseman issued a statement the other day showing that the increased cost of material obliged him to raise his prices, although he intimated in the advertisement that he was disposing of his present stock at the old price.

**Senator Colonel ROWELL.**—But that is a different matter. You were arguing just now that a boot manufacturer had to increase his prices in order to prevent his goods from being exported.

**Senator GARDINER.**—Well, that is the impression I intended to convey. I am not blaming individual manufacturers.

The time is over-ripe for Government interference in this matter. I know there will be a difference of opinion on the question of fixing prices, and as to the power of the Government under the War Precautions Act. But I say that if we can authorize the extension of "war precautions" powers to deal with wool and wheat and other commodities which the Government have been handling; enterprises which it is now desired to clear up—and that is a good reason for their action—we can authorize the exercise of powers in regard to other commodities in order to protect the people of this country.

**Senator MAUGHAN.**—That is the whole point.

**Senator GARDINER.**—If the Government have the power, and can exercise it for one purpose, there can be no argument as to whether it is constitutional or not.

**Senator MILLEN.**—Oh, yes.

**Senator GARDINER.**—The question is, Have the Government this power to act? If they have not, they cannot constitutionally use it. On the other hand, if the Constitution does give this power to the Government, then I contend it may be used for any purpose authorized by this Parliament. I realize that the Government have done excellent work in this direction. I am not referring to this Government.

**Senator FAIRBAIRN.**—I thought you had made a slip.

**Senator GARDINER.**—I am referring to the Commonwealth Government. I do not want any one to say that I declared that this Government had ever done excellent work. I refer to the Government of Australia, which has done excellent work in controlling food supplies in the interests of producers and consumers alike. There is no reason why, if good work has

been done by previous Governments, it should not be extended by the present Government. The damage done to wheat by rats, mice, and other vermin is as nothing compared with the loss which would have been sustained by the farmers of this country if they had been at the mercy of the profiteers and agents. The position in the case of increases in the price of leather is a serious one to the most observing section of our community—I refer to those who are bringing up large families—and I appeal to the Government to extend some protection to these people, because, obviously, if a man's wages has increased by 2s. 6d. or 5s. per week, he has lost all that advantage if the purchasing power of those wages is so appreciably decreased that rent absorbs two days' labour, and, in the case of some families, boots and shoes another two days', and clothing one day. This Parliament should not allow the present position to continue. Will Parliament do anything? It is all very well to talk of dealing with the Bolsheviks. That term, by the way, is Russian, and is equivalent in that language to our word "majority."

**Senator FAIRBAIRN.**—It means "The people who want more."

**Senator GARDINER.**—No! Just as we use the words "majority" and "minority," the Russians say "Bolshevik" and "Menshevik." To-day we read of a threat by the Prime Minister (Mr. Hughes) that profiteers and Bolsheviks are to be dealt with. That is to say, the profiteers, together with the majority of the people, are to be assailed tooth and claw. I believe that such will be Mr. Hughes' policy so far as the majority of the people are concerned, at any rate. While he remains in power the majority of our Australian citizens will be badly mauled. We have won the war, and the Peace has now to be won; but that will not be achieved by any politician setting one section of the community at the throats of another. This is a time when the Government should proceed constitutionally; not to rend and tear and bite, but to make it impossible for profiteers to exist, and to make it possible for the Bolsheviks—that is to say, the majority—to live under condi-

tions wherein they may purchase the necessities of life at reasonable rates. In seeking means to prevent disastrous increases in the prices of boots and shoes, I know that I have the sympathy of nearly all honorable senators, but the trouble is that their sympathy is not likely to extend to their taking the step of voting against the Government and forcing their hands in the matter of attacking profiteering. Nevertheless, I trust that the Government will promptly and seriously grapple with the great problem.

**Senator FAIRBAIRN** (Victoria) [11.34].—Honorable senators on this side of the chamber are as much concerned regarding profiteering as is Senator Gardiner himself. In his references to the price of leather, Senator Gardiner states that he does not blame the primary producer, or the manufacturer, but he asserts that there are some intermediaries speculating and profiteering between those two parties. The Government, I feel confident, will look into such a possibility, and endeavour to discover and unmask those profiteering middlemen, if they exist. It is a matter of vital importance. The cost of footwear is likely to become abnormally high, but I do not see how we can single out the primary producer, and by that means make a successful effort at keeping prices down. There is not a man in Victoria who owns as much as 1,000 head of cattle. Graziers and dairy farmers are established only in a small way. It would be doing a great injustice to saddle those small men with a price for their hides far below the parity of the world's markets. The question of profiteering is providing food for thought throughout the world. The suggestion has actually been made in England that any person found guilty of profiteering should be imprisoned.

**Senator NEEDHAM**.—In Italy they are hanging them to the nearest lamp-post; and I think that method is preferable.

**Senator FAIRBAIRN**.—If any one can be proved to be taking unfair advantage of the present arduous times he should be severely punished.

Senator Gardiner remarked that there is constitutional power to continue the

various Pools. I am of opinion that where the Government, under their War Precautions Regulations, have entered into contracts, they possess the power to continue those contracts; but it appears that the advice furnished by the legal gentlemen whom the Government consulted is correct, namely, that the Government have not the power to make fresh contracts. The Federal Parliament has not the power, but it is a question whether we should not ask the people for the necessary power. I feel that we should consult the electors, and seek to secure that power at the earliest convenient opportunity. The taking of a referendum involves immense cost. I think we would be well advised to wait, and put the necessary question to the people at the forthcoming election. Meanwhile the Government might well look into the whole question, with an idea of ascertaining who are these middle parties alleged to be extracting abnormal profits between producer and manufacturer. I emphasize, however, that it is not fair to single out any particular class, such as the hide producers or the butter producers. In fixing the price of butter, the Government was furnished with a report to the effect that the people engaged in the dairy industry were making only about 26s. a week. No one will describe that as an exorbitant remuneration. Yet those people who, with all their heavy toil, were making only £1 6s. a week were singled out from among other producers, and were mulcted in 2d. a lb. upon their butter. That was not a fair procedure, and if the Government seek to do likewise in respect to hide producers, they must bear the same candid criticism. If we are to have cheaper commodities by the process of price-fixing, it follows that all producers should bear their share. The man on the land must be given a fair deal; he has not had it in the past. In Victoria the rural population during the past four years has increased by only 4,000, while the population of our towns and cities has expanded by about 176,000. That indicates that the people prefer to live in the centres rather than in the country, for the reason that city conditions are more favorable; the pay is

better and life is easier. If the Government were to fix the price of hides so that the small man, who has to toil so arduously, would be forced to accept a price below the world's parity, that would amount to an absolute disgrace. I was disappointed to note that immediately the fixing of the price of hides ceased the cost of leather rose.

Senator Lt.-Colonel O'LOGHLIN.—What else did you expect?

Senator FAIRBAIRN.—I expected that while the tanners were using in their pits the hides which they had bought at the cheaper rates, they would have continued business at the old prices.

Senator Lt.-Colonel O'LOGHLIN.—You were very simple.

Senator FAIRBAIRN.—I may be simple, but I hope I am honest.

Senator BAKHAP.—That action might have been in response to a natural trade law.

Senator FAIRBAIRN.—At any rate, that is one factor which might well be examined by the Government. I understand that the position to-day is that the tanners have the right to take from the market any hides they may require at the price at which the hides are sold by auction for local consumption. Although an American agent or speculator may be seeking to make a purchase, the local tanner can step in and say, "I require those hides and will take them." That is a procedure similar to that which holds good with regard to the Wool Pool. Thus we have eliminated the possibility of Australia having to do without leather. The enormous demands in other parts of the world have indicated that if foreign agents had been free to come into our local markets, and buy up their full requirements, the people of Australia might have had to go without boots and shoes. Therefore, the Government wisely gave the tanners authority to take from the local market any hides they required, and at the market price.

The Government would be well advised to seriously consider the price question as a whole, and to ascertain whether there are speculators busily profiteering. If such practices are going on the Government should possess power to deal in a thoroughly effective manner with the

guilty parties. I am confident that the people would very quickly confer such power if it were sought. I am glad to notice that the Prime Minister (Mr. Hughes), in a speech delivered at Durban, and reported in to-day's press, stated that he would be at the profiteers tooth and claw when he returned.

Senator NEEDHAM.—Mr. Hughes says lots of things, but he never does them; that is the trouble.

Senator FAIRBAIRN.—He is pretty good at doing things. One good thing he did was to leave the party opposite.

Senator NEEDHAM.—And to join his life-long enemies.

Senator BARNES.—He has been "whipping the cat" ever since.

Senator FAIRBAIRN.—No; I think it is the party opposite which has been "whipping the cat."

Senator GARDINER.—Take care that your party is not left also when Mr. Hughes returns.

Senator FAIRBAIRN.—Honorable senators opposite may say that Mr. Hughes left their party, but my view is that he was driven out of it. However, that has nothing to do with the immediate subject of profiteering. Honorable senators on this side are just as anxious as those opposite to see that the workers get a fair deal; but we should not single out any one class of our primary producers and make them carry the whole load. Any scheme which the Government may promulgate will have to be very broad. Indeed, it cannot be confined to Australia. Take, for example, cotton goods. Those materials are chiefly used for clothing the workers. Mr. J. C. Watson, when Labour Prime Minister of the Commonwealth, objected to the imposition of any duty upon cotton for the reason that that was the material of the apparel chiefly used by the working classes. He desired that commodity to be imported and sold in Australia as cheaply as possible. But how can we control the price of cotton in the United States, which governs the markets of the world? Before the war the quotation was under 6d., whereas the price to-day is 21½d. per lb. for raw cotton. How can we control that

price? The dearness of commodities has created a world-wide problem which should be dealt with by the nations in concert. Italy has already moved in that direction. High prices are at the root of all our industrial unrest, and I am voicing the opinions of other honorable senators on this side when I say that we are as anxious as are honorable senators opposite to see profiteering prevented in this country.

Senator McDougall (New South Wales) [11.45].—I wish to enter my protest against the unwarranted and scandalous robbery that is going on to-day by the profiteers throughout Australia. As Senator Fairbairn said, it is not the producers or the retailers who are responsible, but that class which has made every shilling it possibly could out of the war. Senator Gardiner referred specifically to the price of boots and shoes, but that is only one phase of profiteering. We know that when the embargo was placed on the exportation of leather, hides were stacked as high as the heavens, and that the holders were merely waiting for the restrictions upon prices to be removed to charge whatever they liked. The price of boots to-day is a scandal, but high prices are not uniform all over Australia, as one can buy boots in Melbourne at 10s. per pair cheaper than in Sydney. The reason is that the Combines in Sydney are strong enough to keep up the prices to whatever they like. There are beautiful boot shops in Sydney, and more are opening, and one is led to believe that there is strong competition between the different retailers, when, as a matter of fact, most of these large establishments are under the control of a huge Combine, which charges practically what it likes. It is an impossibility for any working man in this country to send his children to school in suitable boots, when a pair of boots for a child of three or four years costs as much to-day as did a pair for an adult before the war. The widows of our soldiers are appealing through the press for assistance, and asking whether the Government cannot prevent the dastardly actions of the profiteers. The question I asked in the Senate to-day was

prompted by the widow of a soldier, who has a family of five to support, and who asked me if I could not get something from the £1,000 given by General Pau in order to purchase boots for her children. I told her that that was improbable, but said I would ask a question to ascertain what could be done. This is surely permissible, because the Government do not appear to be making any attempt to reduce prices. It does not want powder and shot to blow these men off the face of the earth, but only prompt action on the part of the Government. The Government should tell the profiteers that they will stock the Northern Territory with cattle, and produce the hides necessary for the manufacture of boots, and prices would come down at once. The profiteers know that they are behind the Government, and are the men who placed them in power. The profiteers found the money to support the Government followers, and, naturally, the Government are afraid to grapple with a great question like this. I hope the Prime Minister will carry out his threat and tackle this question at the root. Senator Fairbairn said that he did not single out any particular section of the community; we do not want to do that, but we want to handle the whole lot. We have let the hide producers and leather merchants loose, and they are influencing other profiteers to rob the people. It is a world-wide movement, and can we wonder why there is crime, industrial unrest, discontent, and strikes? We cannot wonder at the people being in a state of revolution when steps are not taken by the Government to prevent high prices. Can we wonder why the people rise and endeavour to get justice? Revolution must come, but not such a revolution as we usually know, where people are hanged and slaughtered, but one that means sweeping out of existence any Government or properly constituted power that stands idly by without endeavouring to prevent this grievous wrong. In Sydney there is a boot manufacturer — a member of the Australian Labour party, and who was a representative of a working constituency until he resigned—who endeavoured to sell at reasonable prices to the

consumer. His boots were marked "all one price;" "Straight from manufacturer to wearer." But now he is doomed, and has to give up because he cannot obtain a living, unless he falls into line with the Combine and buys his leather at their price. The Government should help men of that description. Instead of threatening profiteers the Government should deal with them and bring them to their senses. In every direction we can see huge buildings being erected, and that could not be done unless manufacturers were making huge profits. Yesterday I went down the street to buy a shirt to keep me warm in this ice-chest, and on selecting a suitable article was informed that the price was 19s. 6d. Naturally I did not buy, but eventually purchased one at 12s. 6d., which I suppose did not cost more than 3s. 6d. to produce. I do not think the profits are going to the retailers, because according to the report of the Inter-State Commission, they are only receiving a little more than before the war. The manufacturers and the "boodleiers" are those who are making excessive profits, and instead of receiving, say, 10 per cent. profit, which is a fair return on capital, they are making 75 and 100 per cent. If they had not watered their stock by increasing the number of shareholders they would have made even 200 per cent. We have been told that we cannot constitutionally prevent profiteering. I have no respect for the interpreters of our Constitution, because their rulings have only to be taken to the Privy Council to be upset. Our Constitution was not framed by the people of this country. It is merely a copy of the American Constitution, which is over a hundred years old. The people of America would alter their Constitution if they had the power. I am not appealing for those who smile and sneer, but for those who have to suffer. Practically half of the people of Australia voted for an alteration of the Constitution, and the other half voted against it, but the minority has no redress. In France and Italy the Government issued orders that prices were to be reduced to the people by 50 per cent., and that was immediately done. Are they prepared to

do that here? Many honorable senators do not realize the seriousness of the position, but I do, as I am brought into contact with poverty every day. Where I am living the people are faced with great adversity, and have to assist one another. A day may come when we may have again to resort to "Prince Alberts," and not only men and women, but little children, will have to go without boots. Women are working without them to-day. Will the Government say that this is to continue, and that they have not the power or the right to interfere? If the Constitution is to be altered let us alter it at once, and whether it is done legally or not, the people will be behind the movement. This would be good platform stuff for me on the hustings, but I want action taken immediately. I am anxious to see that the dependants of soldiers whose bones are lying in Gallipoli and France get a fair deal. The Government should be game enough to see that men who have fought for their country have an opportunity of supporting their families in reasonable comfort, but they cannot do it on the miserable pittance they are receiving. I am not blaming the Minister altogether, because he is doing what he can, but our constitutional powers are so limited that the Government are tied up and prevented from doing what they know to be right. If the Government deal with food and clothing now as they did during the war they need not go to the High Court to ascertain whether their action is constitutional or not, because the people will support them. I ask the Government to go into the question of not only boots and shoes, but, as Senator Fairbairn said, of every other article that affects the cost of living, and is required to keep body and soul together.

**Senator MILLEN** (New South Wales—Minister for Repatriation) [11.57].—So far as the motion moved by Senator Gardiner was intended as an indictment of the Government, it is disposed of by a remark of Senator McDougall, who candidly admitted that the Government's constitutional power was little. That is the first answer to the charge made by Senator Gardiner.

Senator Lt.-Colonel O'LOGHLIN.—Why did you not take the greater powers when offered you?

Senator THOMAS.—Twice we gave the people an opportunity to grant them, and each time the proposal was turned down.

Senator MILLEN.—On a later occasion when a Government, supported by honorable senators opposite, proposed to put a similar proposition to the people of this country, they, as well as senators on this side, agreed that it was inopportune to proceed.

Senator O'KEEFE.—They trusted the National leaders in the State Parliament, who broke their word.

Senator MILLEN.—By common agreement it was decided not to proceed further at that time. There is no one in this House, or out of it, who expresses sympathy towards the profiteers. True sympathizers with their victims are not those gentlemen who go round offering "good platform stuff," but those who are making a serious endeavour to try to understand and solve the problem. It is the easiest thing in the world to make utterances which appeal to those who may be suffering, because one can work upon their feelings, but the way to solve this problem, which is world wide, extremely difficult and complex, is not by inciting people to violence, but by analyzing the situation to see whether we can discover some means of dealing with it. Some reference has been made to the fact that the Government, having proceeded with the Commercial Activities Bill, could have extended that measure so as to make it include other commodities than those which it covers. It is admitted by those who make this statement that in peace time the constitutional powers of the Government in regard to price fixing are a negative factor. But it is urged that the Government do possess power in this case, as is shown by their introduction of the Commercial Activities Bill. May I remind honorable senators that the constitutionality of that measure rests entirely upon the connexion between the matters which it covers and the war itself? It is merely a clearing up pro-

cess which that Bill is intended to cover. A Bill which enables us to complete contracts made in time of war is a vastly different thing from a measure seeking to deal with all normal activities in time of peace. Some legal gentlemen have pointed out that the constitutionality of the Commercial Activities Bill will depend upon the Courts deciding that the period over which it is intended to operate is a reasonable one. They have pointed out that the more we extend that period, the more we shall call into question the constitutionality of the measure. In the same way we shall imperil its validity if we increase the number of subjects which are covered by it. It is not long since honorable senators on both sides of the chamber were clamouring for the repeal of our War Precautions Act. Without differentiating between political parties, there was a unanimous demand made in that direction. That demand came with great vehemence from the other side. Even my colleague, Senator Pratten, demanded, in terms of indignation, that we should immediately tear up that measure, because the Peace Treaty had been signed. Yet now honorable senators come along and ask us to exercise the authority given under that Act.

Senator GARDINER.—Who asked that?

Senator MILLEN.—The members of your own side. I repeat that a general effort was made to influence the Government to get rid of the War Precautions Act at the earliest possible moment. The Government promised to do so, and have proceeded to give effect to their promise as rapidly as possible. Regarding the rise in the price of leather, everybody admits that that has occurred, not because of profiteering activities here, but because of that sharp increase of price which has taken place in Europe consequent upon the condition which Senator Gardiner has described. Owing to the effects of five years of war, the supplies of leather have become exhausted, and now that peace has been re-established, there is an intense demand for it, with necessarily high prices. Senator Gardiner admits that Australia then has to face the question of whether it will sell its goods in

the markets of the world, and get the benefit of these high prices, or whether it will offer them at lower prices. Senator Gardiner's contention is that some middleman steps in and takes the profits. I would like him to say whether he insists that the producers of this country should sell their products for less than the world's parity?

Senator GARDINER.—I certainly say nothing of the kind. I will reply to the Minister for Repatriation at the proper time.

Senator MILLEN.—How can the honorable senator take advantage of the world's parity unless the prices of these commodities are high in Australia?

Senator McDougall.—The producer does not get the benefit of those prices.

Senator MILLEN.—Suppose that he does not. Whether the producer exports the hide or some middleman exports it, it will be sold in Europe at the world's parity, unless we compel its sale for less.

Senator GARDINER.—Did the farmer get the world's parity for his wheat?

Senator MILLEN.—Either the honorable senator wants the producer to get the full market value of his commodities or he does not. If he does, he cannot give him that full parity by reducing prices. We can, I admit, eliminate the middleman. But that will not result in reduced prices. Suppose that the producers did their own exporting, they would still get the world's parity for their goods. There is only one way in which we can prevent that, namely, by some parliamentary authority stepping in and saying to the producers, "Whilst you can get £1 for an article exported to Great Britain, you shall sell it here for 10s." Whilst certain persons in our midst, during a transition period, may be reaping high profits, I refuse to believe that the producers will long allow their operations to be continued. We cannot secure to Australian consumers articles cheaper than the world's parity unless we compel those who produce them to sell them for less.

Senator GARDINER.—Are our wool-growers getting the world's parity for their wool?

Senator MILLEN.—They were getting more than the world's parity when they sold it. If I sold my honorable friend a horse for £10, and to-morrow its value rose to £15, would he give me another £5? The wool bargain, when it was made, was a perfectly fair one, and because the world's parity for wool has increased, our wool-growers have no grievance. They sold for a price that they were mighty glad to get at the time. Had the market gone down, would they have abated their price? Certainly not. But I have no desire to labour this point. Whilst I have endeavoured to do so, I have been unable to discover any way of securing to the Australian consumer an article at a lower price than the world's parity without penalizing the producer. All that we hear in regard to profiteering, and to the great difference which exists between the price which the consumer pays and the price which the producer gets, arises, in my opinion, from our extremely cumbersome and wasteful system of distribution. Honorable senators may go to any suburb they choose and trace any article they like from the farm on which it is produced to the home in which it is consumed. They will then see the multiplicity of hands through which it passes. Each of those hands extracts a living from it. The most effective way of cheapening commodities to the Australian consumer is by devising a better system of distribution.

Senator DE LARGIE.—By co-operation.

Senator MILLEN.—Co-operation, not merely between the producers themselves, but between the producers and the consumers. It is positively ludicrous to contemplate the multiplicity of little shops which are to be found in a short street. Recently I took a walk between two cross streets—a walk which did not occupy five minutes—and in that thoroughfare I discovered three confectioners' shops, two tea shops, and three greengrocers' shops.

Senator FAIRBAIRN.—How many "pubs"?

Senator MILLEN.—It was after 6 o'clock, so I did not look for them. Any one of those shops could carry on the business of the whole three of them.

Senator McDougall.—Come over here.

Senator MILLEN.—My honorable friends are not directing their mental efforts to a solution of this problem along the lines I have indicated. They are rather seeking to create a belief in the minds of the people that there is an organized effort being made to fleece them.

Senator GARDINER.—The people are convinced of it.

Senator MILLEN.—The world has been frequently convinced of many things which upon investigation have been proved to be either inevitable or not to exist at all. I have very much greater hope that relief to the consumers will be gained by remodelling our distributing system upon lines which I do not propose to indicate now—lines which will permit of the elimination of the wasteful effort which at present obtains.

Senator MULCAHY.—That means, to some degree, an extension of the Socialistic principle.

Senator MILLEN.—It is necessary for the honorable senator to define what he means by "Socialistic." If a number of people combine to do collectively something which they can do better that way than they can do it individually, I do not regard that as Socialism. Socialism is generally understood as a movement to destroy individual effort. That which, although done collectively, is done to stimulate individual effort, is not Socialism.

There is just one other matter to which I desire to address myself. Honorable senators must recollect the position in which Australia stands to-day. We are carrying an enormous burden of debt. Hardly an orator mounts a public platform without reminding the people of the prime necessity for stimulating production, in order to enable us to carry that burden. We shall not help ourselves to carry it if we deprive our producers of the full value of the market which is open to them, or if we adopt the altruistic attitude of selling our supplies abroad for less than the world is willing to pay for them, in order that we may consume similar commodities at lower prices than at present obtain. It is of

the utmost importance to the Commonwealth that the prices of our primary products should be high. Every increase that we get for our wool, our leather, our meat, or our metals means so much additional wealth coming into Australia. Do honorable senators wish to stop that? Yet that is the effect of what they are advocating, unless they are going to say to the producers, "You shall sell your commodities in Australia at a fixed price, and the surplus you may export and get whatever price you can for it."

Senator McDougall.—There is another remedy, namely, to increase wages.

Senator MILLEN.—Increased wages will not make the price of boots in the shops any cheaper.

Senator BAKHAP.—Where shall we get the money with which to pay high wages if we do not export?

Senator MILLEN.—I am not now discussing the question of the distribution of the article produced. I am endeavouring to show that Australia, carrying, as she does, this enormous burden of debt, must be very careful indeed of any steps she may take which are likely to affect the amount of money she receives for the produce which she sends abroad. That is only applying to the nation the same principle as we adopt for ourselves. I admit that the position to-day is such that unless a remedy be found for it, or unless it eases up naturally, we shall be called upon to face a crisis.

Senator GRANT.—You will get it, too.

Senator MILLEN.—I admit that, and I admit also the sinister suggestion contained in the interjection by Senator Grant, and thoroughly understand it. But that is not the way to solve the difficulty.

Senator GRANT.—I know how to solve it, and so does the honorable senator.

Senator MILLEN.—I apologize to the Senate if I have unconsciously put a thought into the mind of Senator Grant as a result of which he will inflict another land-tax oration upon honorable senators. This matter is too serious and complicated to be dealt with by mere generalities, and honorable senators who content themselves with general accusations and do not direct their minds to an honest endeavour

to solve the problem are not helping the victims of profiteering or the country itself.

**Senator NEEDHAM** (Western Australia) [12.17].—Senator Millen's concluding remarks were very interesting, and pertinent to the subject under discussion. He says that it is the duty of Australia, in order that we may meet our great war debt, to add to the wealth of the country by exporting its products. That is a very sound policy, but what I am amazed at is that producers in this rich Australia of ours are exporting their products to other parts of the world and selling them there at a lower price than is charged to the local consumer. That applies not only to leather, hides, and footwear, but also to meat. If I may be pardoned for a brief reference to meat, I may say that, although we raise the meat here in Australia, it is being sold in London much more cheaply than to the local consumer in Australia.

**Senator MULCAHY**.—Is the honorable senator speaking of the retail prices in both places?

**Senator NEEDHAM**.—I am speaking of the retail prices. My statement is open to investigation, and it is a fact.

**Senator PRATTEN**.—I think that the honorable senator has been misinformed.

**Senator MULCAHY**.—What is the price of meat in London?

**Senator NEEDHAM**.—I can tell the honorable senator that meat for which people are paying 1s. 3d. per lb. in Melbourne is being sold in London for 5 $\frac{3}{4}$ d. per lb.

**Senator PRATTEN**.—That is a grossly inaccurate statement.

**Senator NEEDHAM**.—I repeat it, and the statement is correct. In Australia we raise the cattle, tan the hides, and make the boots, and, strange to say, we are paying more for boots to-day than is paid for them in many other parts of the world.

**Senator MULCAHY**.—We pay higher wages for making them.

**Senator NEEDHAM**.—I admit that, but that does not account for the disparity between the price of leather here and elsewhere. An embargo was placed on the export of leather some time ago by the Government. During the operation of

that embargo the price of boots was higher, in my opinion, than it should have been, but immediately the embargo was lifted the price of boots rapidly rose still higher. I should like to add that the leather that is being used in Australia is not the best that Australia produces. I speak as a father of a family, and I know that it costs 4s. 9d. for half-soeling the boots worn by a boy of mine, nine years of age. Those half-soles are worn out in about a fortnight. How is it possible for the father of five or six children, receiving £3 a week, to pay such prices? We know how children wear out their boots, and while, if the leather supplied were of good quality, the position here would not be so bad, the fact is that the leather retained here is inferior, and the best leather produced in this country is sent abroad and is there sold at a lower price than is charged for leather of an inferior quality sold in Australia.

**Senator MULCAHY**.—That is a difficult statement to swallow. The honorable senator says that we are sending away our best leather and selling it abroad at a lower price than is obtained for inferior leather here. That is an astounding statement.

**Senator NEEDHAM**.—If Senator Mulcahy is astounded by my statement, I invite him to disprove it. I believe that the embargo on the export of leather should be reimposed. If it were, it would lead to some reduction in the prices charged here for leather and for boots.

A remarkable thing in connexion with profiteering is that the first thing the Government did when the Armistice was declared was to abolish their price-fixing under the War Precautions Act, and the last thing they did was to remove the restrictions on liberty and freedom of speech. A certain amount of censorship still exists. Ever since the price-fixing regulations were abolished, the prices of various commodities have been soaring up day after day. We have been informed through the press that, on his return, the Prime Minister (Mr. Hughes) is going to fight the Bolsheviks and profiteers. Senator Gardiner has made a reference to the meaning of "Bolshevism," and I think we know very well what the word means.

The term "Bolshevik" is hurled against members of the party on this side in a very insulting way. If there are Bolsheviks in this country, they are the supporters of the party opposite and of the Ministry governing Australia to-day; they are the men who are battening on the community as a result of the war and the blood spilt during it. They are the true Bolsheviks within the meaning of the term as used by the Prime Minister and those who support him.

There is a way to settle this matter of the high prices of leather and other necessary commodities. Constitutionally, this Parliament has not the power to deal with the matter, and I say that the Government should at once submit to the people proposals for the alteration of the Constitution to give this Parliament the necessary power.

Senator BAKHAP.—That is what honorable senators opposite are after.

Senator NEEDHAM.—Senator Bakhap says, noisily and angrily, that that is what we are all after.

Senator BARKER.—But he agreed to the War Precautions Act.

Senator BAKHAP.—I am one of those who opposed its extension.

Senator NEEDHAM.—Under the War Precautions Act the Government could do all that they desired to do.

Senator BAKHAP.—Being in a state of war at the time, we had the power to pass the War Precautions Act.

Senator NEEDHAM.—As Senator Bakhap knows, the War Precautions Act practically abolished this Parliament.

Senator BAKHAP.—This Parliament passed the War Precautions Act because it was constitutionally competent for it to do so in a time of war.

Senator NEEDHAM.—The War Precautions Act abolished this Parliament, and gave to the Government of the day arbitrary powers, which we know were used in a certain way. We are now informed that the Government intend to continue the exercise of those arbitrary powers for the fixing of the prices of certain products. As Senator Gardiner has already contended, if they have the power to fix the price of sugar and butter, they can also fix the prices of other commodities. It is a poor consolation to the chil-

dren who have to go barefooted to school to-day to be told that they may be helped when we have altered the Constitution. The Government can act in this matter of the regulation of prices if they desire to do so. In my opinion, they do not desire to do so.

Senator BAKHAP this morning asked a question about the price of bread. The reply he obtained was not very consoling to the people of this country, although it was no doubt entirely satisfactory to himself. He was informed that, according to statistical records, bread is dearer in other countries than it is here. That is no consolation to the fathers or mothers of children in Australia who cannot procure sufficient bread for them because of the high price charged for it.

Senator BAKHAP.—They have a poor chance to get it anywhere else if they cannot buy it here.

Senator NEEDHAM.—They cannot buy it here. From day to day it is brought under my notice that men and women here in Melbourne, at the Seat of the Government of the Commonwealth, though in continuous employment, cannot buy sufficient bread for their children because of the high price charged for it. It is no consolation to these parents to be told that bread is dearer beyond the seas than it is here. That will not feed the hungry who are here.

It is well that this matter has been brought before the Senate by Senator Gardiner in order that the people may be given some idea as to what should be done to save them from the profiteer. If the Government would re-impose the embargo on the exportation of leather that would help considerably to secure cheaper boots for the people.

Senator BAKHAP (Tasmania) [12.29].—When I entered the Senate chamber this morning I did not anticipate that the matter now under discussion would be a subject of debate. For some time past it has been my intention, when a suitable opportunity offered, to speak on this question of prices, which is so agitating the minds of many people. I find this morning, what has been evident to me for some time past, that this cry about profiteering is going to be used by certain people in this Parliament, irrespective of

party, and, in fact, is going to be advanced as an argument for an attack upon the Federal Constitution.

Senator O'KEEFE.—Do you regard the Constitution as sacred?

Senator BAKHAP.—It is not absolutely sacrosanct; but I am going to do what I can to prevent unnecessary and superabundant powers being conferred upon this Parliament.

In discussing a matter such as this world-wide rise in prices, let me say that it is essential for the prestige and dignity of a responsible Parliament, representing what is supposed to be one of the best educated Democracies in the world, that we should not indulge in fustian; that this subject, which has employed the energies of some of the ablest economic minds in the world—minds well disposed to the ideals of Democracy—should be considered by our politicians, who ought to be practical philosophers, without tearing passion to tatters. There is a tendency to ignore the operations of fundamental economic laws, and to confuse them with the exceptional and occasional avarice of individuals, which can always be found in every community because of the vagaries of human nature, but which, even though we may acknowledge its existence, constitutes but a very small factor in this world-wide rise in prices. I am not one of those who honour avarice, but it is desirable, in the interests of the nation, to encourage thrift. I do not think that honour should be paid to a person because of his wealth; if the possession of that wealth be not accompanied by other qualities, which humanity for ages past has agreed to honour.

If I may say so, without arrogance and egotism, I hope to discuss this subject without passion, but with a recognition of those economic and industrial forces which are operating throughout the world. It seems to me that when senators ask the Government to do this and that to bring down the price of commodities, they are ignoring certain economic factors which, as I have said, the very best men in the world have agreed to regard as highly important. In the first place, articles of prime necessity, produced in Australia,

can be sold, without exception, outside of the Commonwealth, at a profit, proving beyond all doubt that local prices are not higher than elsewhere. Butter, when there is a superfluity in production, can be sold most profitably in outside markets. Wheat, flour, and wool, cheese and meat can be similarly disposed of. In normal times our harvests are so bountiful that it is necessary to export at least one-half of the wheat produced in Australia. All articles of prime necessity can be marketed to advantage in the markets of the Old World as well as in the older world of Asia. This being so, does it not follow, and is it not plain to every one, that prices in Australia are not abnormally high, and that the situation here must be considered in its relation to world-wide increases in all commodities? This movement has been going on for a very long time. Let us recognise that this rise in the price of commodities is one of the results that might have been expected from the withdrawal of about 20,000,000 of the world's very best and most vigorous manhood from productive enterprises to engage in warfare for about four years. Does not this fact lead any ordinary mind to the supposition that commodities are not at the present time in such abundance as they were before the war, and that necessarily prices must rise? International trade is of such volume and extent that higher prices in any one country must be reflected in the country of production. Have we forgotten also that paper money has been issued to the extent of hundreds of millions of pounds in every civilized, and, indeed, in every partially civilized country? We learned from the cable news the other day that the British Government had increased the circulation of paper money to the extent of £260,000,000, and I have some figures relating to paper currency taken from an important French publication. I did not expect to take part in this debate, and so I must translate the information as briefly as I can. I find that on the 1st January, 1914, there was in circulation in France six milliards in bank notes and four milliards in gold. To-day there is a circulation of 33 milliards in notes. I have even seen French bank notes of the

value of 25 centimes (about 2½d.) in the hands of returned soldiers in Tasmania.

Senator KEATING.—They would be municipal notes.

Senator BAKHAP.—I have also seen Belgian notes of very low denomination and German notes, taken from prisoners, of the value of one mark. English Treasury notes of the value of 5s. have been issued, and I have heard that notes were issued down to the value of 2s. 6d. In Russia, during recent years, bank notes have been issued of the value of one kopeck, a denomination so low as to be worth no consideration at all in Australia. With this tremendous volume of paper money thrown upon the world, and with 20,000,000 of the young men withdrawn from production, might we not expect that commodities should increase in price? Is it not a fact that paper money is automatically discounted by a rise in prices, and therefore should not this factor receive the careful attention of every politician who, if he is worth anything in that capacity, should be an economist?

I would like to say a few words about butter, cheese, meat, hides, and tin. I have some knowledge of what are regarded as cheap-labour countries, and I remind honorable senators that in China, where there is a population of 300,000,000—some people say 400,000,000—there is a very vigorous peasantry; perhaps the best nourished in the world, and certainly the best nourished for their number. In that cheap-labour country the price of pork, fowls, and bacon is higher than in Australia. In China, no big millionaire combinations have been operating for years to bring about a rise in prices as is alleged in other countries, and accompanying this movement there has, too, been a rise in wages. All this is going on in a country which, till recently, had no relation with the commercial systems of other nations which are undergoing the same experience. How, then, can anyone, with a knowledge of the intricacies of these laws, get up and ask the Government to do something equivalent to an attempt to dam the waters of the Atlantic with a mop? Nothing less than the employment of those 20,000,000 men who have been withdrawn

from production for several years to engage in war will bring about a fall in prices.

I intend now to say something about our local prices for bread, butter, cheese, and meat. In another place a recently-elected member of the farming community, whose speech might well be perused by honorable senators, voiced the views of the primary producers and showed, beyond all doubt, that people engaged in dairying in Victoria at the present time were not receiving 9d. per hour for their labour. Do honorable senators who are clamouring about the price of commodities desire a return to the times when our farmers got 6d. per lb. for their butter? Go on the land! Yes, go on the land, and produce commodities at these prices for people who live in the congested cities of this country. Is that what honorable senators want? Bread is cheaper in this country than in any other. What do honorable senators want?

Senator GARDINER.—We want to see bread down to 3d. per 2-lb. loaf.

Senator BAKHAP.—I would like to give honorable senators some information about the lives of some people who are on the land. The other day I met an old friend of mine who, like myself, had been a miner and adventurer in many places. Over a friendly drink we were discussing the high prices of commodities here, and I alluded to the fact that butter was 2s. per lb. He said he was surprised it was not 4s., and told me of a mutual friend's experience in the dairying industry. He said that our friend had bought 25 dairy cows and engaged a certain number of men to help him in connexion with the business. When Christmas time came round he said to them—"I suppose you are off to the sports at the township." They replied that they were, whereupon he expressed the hope that they would have a good time. "But," he added, "be sure and come back to-night to milk the cows." They then informed him that they were off for a week's holiday. Naturally he resented this intimation, because, as he pointed out, he could not attend to the milking himself single-handed. One word led to another, with

the result, finally, that they told him they were not going to milk his cattle, and that he could emigrate to Bulgaria or some equally unpleasant and inhospitable country. This gentleman, of course, went out of the dairy business. I know another friend who combined the business of dairying with that of hotel-keeping in a mining district. His wife ran the hotel in the day-time. He had exactly the same experience. In his case the men went away for a fortnight, and told him he could do what he liked; they did not care whether his cows were steam engines or not, and this, notwithstanding that he offered a fortnight's holiday, on full pay, at the end of the milking season. This man also does not see much that is attractive in the dairy-ing industry. And I might go on to point out that the butter factory in that dis-trict, at which formerly 7½ tons of cream per month was delivered, now gets less than 3 tons. In the face of these ex-periences, naturally my friend expressed sur-prise that the price of butter was not 4s. per lb. The only people who find this occu-pation at all profitable are the men with wives and children, who have some sort of family or co-operative interest in the business. They stick together and they get on very well, doing somewhat better now than fifteen or twenty years ago.

The PRESIDENT.—The honorable senator's time has expired.

Senator O'KEEFE (Tasmania) [12.44].—I was glad to have the admission from Senator Fairbairn, during the course of this debate, that the in-crease in the prices of the neces-saries of life is responsible for all the industrial discontent at present existing in this country. No statement made on this side of the Senate has been stronger than that, and I welcome it be-cause I believe it to be true—coming from such a source. The remarks of Senator Millen were interesting, but he cleverly evaded the real point at issue. It is incontrovertible that, immediately the Government raised the prohibition upon the exportation of hides, up went the price of leather, and the people had to pay from 25 per cent. to 50 per cent. more for their shoes and boots. Do the

Government regard themselves as power-less to keep down the constant increase in the prices of our daily necessities? The Government were actually respon-sible for the recent rise in the price of shoes, and they should not forget that the price at the time was quite 50 per cent. above the quotations ruling prior to the war. The embargo on the exportation of leather was lifted on 14th May last. That followed a conference between primary producers, the meat companies, hide brokers, and tanners. Immediately the country was over-run with American and overseas buyers. The pre-war price of sole leather, taking July, 1914, as a basis, was 14d. to 16d. per lb. The price fixed by the Federal Government in 1917 was 21d. per lb. The present price is from 24d. to 30d., and still the figure is soaring. Since Senator Millen has in-vited suggestions, which he said would be welcome if they were likely to have any effect on exorbitant prices, I submit this practical proposal, namely, that the Gov-ernment re-impose the embargo on the ex-port of leather and hides, except at a certain figure. Until the people of Aus-tralia can secure boot leather at some-thing like reasonable cost the Government will be justified in continuing that em-bargo. Senator Millen admitted that profiteering was going on in our midst, and he agreed that it was due chiefly to the middleman. Surely something can be done to put a limit on his operations. There is an enormous margin between the price paid to the producer for his hides and the cost to the consumer for the finished article. The middleman gets it. Senator Millen says, however, that the Government have not the necessary power. What will be the nature of his reply when the Minister is asked how far he is prepared to go in recommending that the people grant the Federal Gov-ernment increased powers under the Constitution? In connexion with the Commercial Activities Bill the Govern-ment propose to extend the powers granted them under the War Precautions regulations, but in relation only to dairy produce, sugar, wool and flax.

Senator RUSSELL.—It is not the articles about which we are concerned, but the completion of contracts.

Senator O'KEEFE.—Do the Government say that they could not have extended the operations of those regulations? No doubt, that will be Senator Millen's reply when he is asked the question in the course of the debate upon the measure to which I have just alluded. When the Prime Minister (Mr. Hughes) returns to Australia an interesting position will arise. He has announced his intention to fight with tooth and claw relentlessly to the end the Bolsheviks and the profiteers. How is he going to fight those latter gentry? What a farce it is! The Prime Minister announces one course of procedure, while a fellow member of his Cabinet, the Leader of the Government in the Senate (Senator Millen) states that the Government have no power to fight the profiteers. As a matter of fact, both statements are empty and farcical. Neither will bring comfort to the people. What the public would prefer to hear is just how far the Government are prepared to go in extending the Federal authority during that difficult period when we must wait for the consent of the people for additional constitutional powers. If the Government had the interests of the people really at heart, they would, without the loss of one day, ask the people to grant the powers required. The various State Governments, with one accord, seek to shift blame for inaction on to the shoulders of the Federal authorities; and the Commonwealth Government, in their turn, endeavour to thrust the responsibility back on to the States. Each authority hides behind the other.

Senator RUSSELL.—The Acting Prime Minister (Mr. Watt) stated definitely that the Government had not the necessary powers.

Senator O'KEEFE.—What is the use of the Government saying they have not the power unless they state, at the same time, that they intend to seek the power?

Senator RUSSELL.—Even if the Government said that, it would require too long to get it for us to be able to use it to deal with this immediate problem.

Senator O'KEEFE.—Then must the Government wait idly for the extension of the constitutional power? Cannot they take some steps meanwhile? Even if they

had not legally the power, I am convinced that the people would be willing to acquiesce in the Government straining the Constitution somewhat in their efforts to grapple with the problem of profiteering.

Senator RUSSELL.—Rabbit skins are worth about 10d. to-day. Would the honorable senator use the War Precautions Act to bring the price down to pre-war figures?

Senator O'KEEFE.—We do not eat rabbit skins, and I shall not discuss the subject. I am interested just now in the cost of the people's foodstuffs, and the Government, together with their supporters, go with me so far as to admit that Australia is facing a crisis. Yet the Government reiterate that they have no power.

Senator DE LARGIE (Western Australia) [12.59].—The Senate must be grateful to Senator Gardiner for having initiated this debate. It is evident, however, that those who howl the loudest about profiteering have given the subject the least attention. Senator Gardiner should have known better than to reply as he did to an interjection of mine relating to the wheat industry. His response showed that he had given no attention to the subject.

*Sitting suspended from 1 to 2.30 p.m.*

Senator DE LARGIE.—I do not suggest that a senator should be familiar with the details of every industry in Australia, but it is his duty to have some knowledge of what is undoubtedly the greatest industry of Australia—the wheat industry. Senator Gardiner evidently is not aware that the wheat industry is the most sweated industry we have in the country. He is actually advocating a policy which, if put into practice, would really accentuate the conditions every fair-minded man should deplore. We have only to consider the price of bread and wheat in Australia during recent years to understand the true meaning of further reducing the price. Senator Gardiner referred to the condition of the wheat, and the manner in which it has been attacked by mice and weevil, but these conditions have been brought about solely owing to the absence of

shipping facilities. If we were to reduce the price of bread, who would lose by it? The losers would be those who, by the sweat of their brow, are carrying on this great industry. Does he think that the workers in the wheat industry should be sweated to provide cheap bread for the men in the city who are in receipt of from 50 to 100 per cent. higher wages than the rural worker? It would be disgraceful if anything were done in the direction Senator Gardiner suggests. I do not intend to speak by and large, but to give actual facts of prices obtaining in Australia. The price of wheat in Australia is fairly well known, but it is not generally realized that during the war Australian wheat has been sold at the lowest price of any farm product in the world. In America, the producer has been getting 9s. 2d. per bushel for his wheat, whilst our farmers have been receiving a miserable pittance of 4s. per bushel.

Senator BAKHAP.—In other words, the farmer has been making a big loan to the Empire.

Senator DE LARGIE.—In days of prosperity, when other workers were doing fairly well, the farmers of Australia were grinding away at low rates of wages. I have obtained from the Government Statist some figures showing the variations of the price of bread in Australia. In spite of the reasonable bread prices ruling during recent years, we find men in this Senate deplored the cost of the necessities of life. Senator O'Keefe made such a statement, and when I asked him what particular line he was referring to, he did not reply. I ask him to realize the conditions of the men who are employed in producing bread, meat, sugar, butter, and milk, and, at the same time, to consider the price of those articles to see whether there is anything unfair in what they receive. With the exception of the sugar, decent wages are not paid to any of the men responsible for raising those products. On the whole, the middlemen have little to do with the price of the articles I have referred to, which are all necessities of life. The middleman does not affect the price of sugar, and,

although the wages paid in that industry are fairly high, the retail price of the commodity is only 3½d. per lb. We are getting the cheapest sugar in the world. In the dairying industry, the men work very long hours for 365 days in the year, and if honorable senators really want the facts, they will find them in the report of the Inter-State Commission, where a very vivid picture is drawn of the degradation that exists amongst those who handle milk. What does Senator Gardiner propose doing to improve the conditions of these workers? What does Senator O'Keefe suggest—further reduction of prices and more sweating for those who work on cow farms?

Senator O'KEEFE.—I did not have time to make suggestions.

Senator DE LARGIE.—You took great care not to; you side-stepped.

Senator O'KEEFE.—You took care to cut into my fifteen minutes.

Senator DE LARGIE.—I intend giving the price of certain articles.

Senator O'KEEFE.—Refer specifically to leather and the lifting of the embargo.

Senator DE LARGIE.—This has nothing to do with leather. I am dealing with the prices of the necessities of life to which the honorable senator referred.

The PRESIDENT.—They can be used only as an illustration, because the standing order is definite. The adjournment of the House was moved to deal with a specific subject, and the discussion must be relevant. The question relates to the price of hides, leather, boots, and shoes, and the debate must be on that.

Senator DE LARGIE.—I am quoting the prices of the necessities of life to illustrate my argument. According to the figures of the Government Statist, the price of bread in Australia, in 1913, before the war, was, for a 2-lb. loaf, 3¼d.; in 1914, it was the same; and in 1915, it was raised to 4½d. That was a year when a Labour Government was in office. When Senator Gardiner was a Minister, prices reached their highest point. Did he do anything to prevent profiteering? Absolutely nothing! In 1916, the price was reduced to 3½d.; and in 1917 and 1918 it was the same. In 1919, up to the present time, the price of a

2-lb. loaf has been 3 $\frac{1}{4}$ d. Considering our high social and prosperous conditions, bread at that price is dirt cheap, and is produced by sweated labour. The sweated labourers are the wheat-growers of Australia, and they are the men whose conditions Senator Gardiner should endeavour to improve. But, apparently, he would degrade them still more. For two or three years we could not hear anything from Senator Needham but mice and weevil. He was in favour of the wheat being practically given away to enable the people to get cheap bread. Let him go into our principal agricultural communities and see the men who are sweating at their work for twelve and thirteen hours a day for seven days a week, living in miserable hovels and wearing ragged clothes, and then see if he will cry out for cheap necessities of life. It is disgraceful for men who come here to represent the people to make such statements. If they knew the actual conditions existing in our rural industries, they would be ashamed to open their mouths. If Senator Needham does not know that these awful conditions exist in Western Australia, then he has been neglecting his duty as a public man.

Senator GARDINER.—You do not want cheap bread?

Senator DE LARGIE.—I do not want sweating of any kind.

Senator NEEDHAM.—It is leather we are talking about.

Senator DE LARGIE.—If leather is to be cheap, we must have cheap beasts from which the hides can be taken. Do any honorable senators opposite ever suggest that the articles produced by town workers should be cheaper? Does Mr. Tudor ever talk about cheap hats? We must consider the cost of articles other than bread. Honorable senators opposite do not want to reduce the wages of the city workers, but they want them to enjoy cheap articles produced by other men. It is disgraceful to suggest that men who are doing the pioneering work in this country, and living like hermits, should be asked to produce cheap bread for such men as Senator Needham, Senator Gardiner, and their supporters. If

there are poor and needy in our midst who cannot purchase the necessities of life, it should be the duty of the Government to give subsidies to allow them to get them at a lower figure. We should not have food produced by one section of the community at a cheap rate at the expense of another section, but that, undoubtedly, is the attitude favoured by Senator Needham, Senator O'Keefe, and Senator Gardiner.

Senator NEEDHAM.—We do not eat leather.

Senator DE LARGIE.—No; but we use it. If there has been any undue inflation of the price of leather, we are quite prepared to deal with it; but I am referring more particularly to the phase of the question mentioned by Senator Gardiner and Senator Needham. I know profiteering is going on in the community; but I hold that profiteering is not confined solely to the middleman and the manufacturer, as there is profiteering in wages, to some extent, in this country. Why should the farm labourer work for 9s. a day when the town labourer is receiving 13s. per day? These are facts that cannot be ignored; and if we are going to stop profiteering, let us consider it in all its phases.

The PRESIDENT.—Order! The honorable senator's time has expired.

Senator BARNES (Victoria) [2.44].—I have listened to the debate on this matter with much interest, because I do not think Parliament could discuss a question that is of more importance to the whole of Australia than is this one. The question is not confined to Australia only, but is a world-wide one. Honorable senators opposite have said that we in Australia are not suffering to the extent that people are suffering in other parts of the world. Yet it cannot be denied that we are suffering from profiteering. I agree with the Minister for Repatriation (Senator Millen), that the best thought of the community should be devoted to discovering a remedy for the existing state of things. The responsibility for it must attach somewhere; and if we commence by sheeting home that responsibility to the proper quarter, we shall, at least, have taken one step

towards relieving the sufferings of the consumers. I have a vivid recollection of a time, prior to the war, when some very talented gentlemen opposite travelled the length and breadth of Australia, telling the electors that they should not take to themselves certain necessary powers under our Constitution—powers that were essential to adequately protect them from the very evils under which they are labouring to-day. Senator Bakhap, in his contribution to the debate this morning, charged honorable senators on this side of the chamber with a desire to wreck the Constitution of the Commonwealth. I will plead guilty to a desire to wreck it to the extent of giving the people power to protect themselves from imposition.

Senator BAKHAP.—We are not going to give the honorable senator power to interfere with our internal trade, and perhaps to wreck it.

Senator BARNES.—I am one of those who believe that the people should have absolute power to give expression to their views through their parliamentary representatives. It is a stupid thing for us to be governed in the way that we are being governed to-day. When Senator Gardiner charged the Government with neglect this morning, the reply of Senator Millen was, "You know very well that we would like to remedy this evil, but we have no power to do so." The Government say they are powerless to remedy the existing condition of things, and we know that they are. Everybody is concerned about the evil of profiteering, and everybody has a remedy of his own. I know that, economically, many of those remedies are unsound. But the responsibility attaching to this evil must be placed upon the right shoulders—that is to say, upon the shoulders of the Government of this country; but for them, there would have been no restrictions imposed on the powers of this Parliament.

Senator MULCAHY.—Does the honorable senator believe in the referendum?

Senator BARNES.—I shall not shirk my task of saddling the people with a fair measure of responsibility, as well. But we foresaw the difficulties with which we are now confronted, and honestly attempted to remedy them. We told the

electors of Australia that they should take to themselves sufficient power to enable them to give expression to their desires in a legitimate way. But what did honorable senators opposite do? They stumped the country from one end to the other; they made use of all the elements which are being used by the profiteers to-day, to mislead the electors and to induce them to restrict their own powers. Fancy a sane people imposing restrictions upon themselves. It reminds me of a man who cannot take three or four drinks and recognise that he has had enough, but who must go the whole hog, and whose only remedy for his drunkenness is to sign the pledge and write his name in a Bible, in the firm belief that these things will save him. The electors had the power to prevent the operations of the profiteer, and they refused to exercise it. Consequently, they are responsible for the high prices which we are paying for our commodities to-day. A good deal has been said by Senator de Largie about the farmers of this country. He has affirmed that we desire to see the primary producer getting the very least that is possible for the work that he does. I do not believe, for a moment, that any honorable senator wishes to see the farmer working for anything but a reasonable return for his enterprise. But honorable senators opposite, who loudly proclaim their desire to help the wheat-grower, were responsible for allowing the profiteers to fleece him of £150,000 during the past three or four months in connexion with the sale of bags. The Government purchased those bags for 5s. 6d. per dozen and sold them to a man who was not a farmer. The Government knew perfectly well that as soon as this individual got the 30,000 bales of bags he would sell them to the producers at a very much increased cost. It is stated, on the authority of the Minister for Trade and Customs (Mr. Greene) that the balance of this stock of bags is now being sold to the profiteer for 9s. 8d. per dozen, and that he is selling them to the farmer for 15s. per dozen.

Senator BAKHAP.—In accordance with the arrangement which was made:

Senator BARNES.—The only arrangement which could have been made was

one between the profiteer and the Government which sold the bags. The farmer is paying the difference between 9s. 8d. and 15s. per dozen.

Senator BAKHAP.—At what price can those bags be purchased in India now?

Senator BARNES.—They were bought last year by the Government, according to the Prime Minister's statement, for 9s. 7 1-5d. per dozen. The Government sold them, not to the farmers of this country, but to the profiteers, who made out of them a profit of £150,000. Then the Government, in order to shield themselves, said that they would put into the Wheat Pool £117,000 out of the profit which they had made on bags, in order to reimburse the farmer for the £250,000 of which he had been robbed through their instrumentality. These figures are taken from Ministerial statements. Upon their own showing, the Government have made only £11,000 profit on the purchase of the bags.

Senator RUSSELL.—The honorable senator should know that for more than twelve months those bags were open for sale to anybody who would buy them.

Senator BARNES.—That does not matter. The Government have been accused, on more than one occasion, by the co-operative societies of the farmers with not allowing them a chance to purchase the bags at all.

Senator RUSSELL.—That statement is not true.

Senator BARNES.—Then the honorable senator should contradict the statements which have been made in the daily press and in another place.

Senator RUSSELL.—For more than twelve months, those bags were open to purchase by anybody in the trade in Australia at 9s. 7d. per dozen.

Senator BARNES.—Then the Vice-President of the Executive Council contradicts the statement which was made by the Acting Prime Minister in September of last year. Honorable senators opposite admit that profiteering is going on in this country. They have led the people to believe that they have an honest desire to remedy the evil if they can; but they plead that they have not the power to do so. We fought two referendums on that question. I admit that the war

has caused many problems to arise with which we were not previously confronted;

if there is one thing more than another which it has demonstrated, it is that there are certain persons in this country who resemble the thief who rushes into a man's house when it is on fire, steals all that he can, and then gets away as quickly as he can. These persons, notwithstanding that the very existence of the Empire was threatened by war, were prepared to avail themselves of every opportunity to fleece the people of this country to the limit. The supporters of the Government know perfectly well that profiteering is rampant in our midst. Yet no mention was made of it in the Ministerial statement, and no remedial proposal was outlined. Why did not the Government say frankly to the electors, "There is only one way in which this evil can be remedied. In the first place, we must have a broader Constitution. We need to be armed with greater powers, and then we shall endeavour to free you from the disabilities under which you are suffering"? They have not done that. They have not embraced the opportunity to make themselves right with the electors of this country. Twice they have fought against enlarging the powers which have been conferred on this Parliament by our Constitution. Yet they now excuse their inaction in this matter of profiteering by declaring that they have not the power to deal with it.

The PRESIDENT.—Order! The honorable senator's time has expired.

Senator MULCAHY (Tasmania) [3.0].—There is one thing on which honorable senators on both sides can agree. Profiteering is unquestionably going on, but it is certainly not confined to war time. Wherever there is trading, and persons hold stocks of goods that appreciate in value, they are entitled, under ordinary commercial laws, to make extra profits in proportion to that appreciation.

Senator McDougall.—In war time!

Senator MULCAHY.—In war time this occurs to a larger extent than at other times, because without any effort on the part of those who hold stocks of goods, there is an appreciation in their value. The

interference with shipping transport in itself causes great appreciation in the value of goods. I wish to deal with this matter from a trader's point of view. I have had 40 years of experience of trading in Flinders-lane, and profess to know something about it. I suggest that this is a matter which should not be debated with party heat. It constitutes one of the biggest problems confronting not only the people of Australia, but of the civilized world.

It is quite idle to say that people are not taking advantage of the circumstances of the hour; but I wish to direct attention to the enormous complexity of the problem, whether it is handled by a Labour or by a Liberal Government. One may pass by a hundred shops in this commercial city of Melbourne and find a great many articles of the same character in each marked at the same price; but while some of the traders, in selling those articles at that price, may be doing a perfectly legitimate thing, and may not be profiteering in any sense, others who held stocks bought at pre-war prices may be guilty of it. We have to consider what profiteering is. In my view, profiteering is cornering. The profiteer is a man who deliberately takes steps to corner the supply of a particular article in order that he may subsequently exact an unfair profit from the sale of it. In a great many cases there is to-day an enormous appreciation in the raw materials of certain manufactures. That can be seen in the case of cotton goods. As a result, in the retail shops in Melbourne to-day, the prices of cotton goods are three or four times as high as they were some time ago, but this inflation of prices is not profiteering.

Senator McDougall.—The dealers in woollen goods manufactured in Australia are the worst profiteers of the lot.

Senator MULCAHY.—Wool has brought higher prices because it is worth more in the markets of the world. Two things have probably combined to cause the increase in the price of wool—the disturbance due to the war, and the limited supply of the particular class of wool which is demanded at this time; because there are fashions even in wool. When I

was a member of the Tasmanian Parliament, and at the same time a retailer carrying on business in Hobart, I was dealing in woollen materials in a pretty large way. The Government of the day, needing extra revenue, increased the *ad valorem* duty on woollen goods from 15 per cent. to 20 per cent. I happened to be doing a very fair business, and was fortunately in possession of a large stock of those goods. My next-door neighbour also had a large stock; but a good many of our neighbours in the same business, carrying on in a more or less hand-to-mouth fashion, did not possess large stocks. My neighbour and I knew that, whatever we did at the time, sooner or later we should have to pay 5 per cent. more for woollen goods.

Senator GARDINER.—Does not the foreigner pay the increase in price due to the imposition of protective duties?

Senator MULCAHY.—Senator Gardiner need not ask such a question of a trader. The trader buys on the invoice value of goods, subject to the expense of importing them. That expense may be the expense of transport, plus the duty, whatever it may be, imposed at the port at which the goods are landed. My neighbour and I, having large stocks of woollen goods, knew that, sooner or later, we would have to pay 5 per cent. or 6 per cent. more for the same goods, subject to market fluctuations that apply in all cases, and consequently our policy was gradually to advance our prices for such goods rather than to suddenly raise them. Let me tell honorable senators that it is not a simple matter to advance prices in the retail trade. If customers do not know as much as does the trader about all the goods in his warehouse, they very often know quite as much about a particular article. There are a great many standardized goods, and traders must be able to give a very solid reason for any advance in the prices of those goods, as their competitors would be likely to take advantage of any unreasonable rise in prices. I suggest to honorable senators that in advancing the price of woollen goods in the circumstances I have indicated, my neighbour and I were tak-

ing only a legitimate advantage of the appreciation in the value of the goods due to the imposition of the extra duty. Honorable senators, if they are prepared to argue fairly, will admit this when they consider that, if the duty on woollen goods, instead of being advanced from 15 per cent. to 20 per cent., had been reduced from 15 per cent. to 10 per cent., the circumstances would have been all the other way. Producers of potatoes in Tasmania, who, setting aside the difficulty due to the restriction of shipping and to the influenza epidemic, could, if they landed their produce in New South Wales or in Queensland, obtain £12 per ton for them, are charged with being profiteers for asking in Australia the proper value of that which they produce. They are not profiteers. If honorable senators charge them with being profiteers, what about the time when those same producers had to leave their potatoes in the ground because the price which they would fetch would not pay for the cost of digging them?

Senator BAKHAP.—Who gave them anything then?

Senator MULCAHY.—No one did. I have known potatoes to be sold in Tasmania in 1892 or 1893, I think, for from 15s. to 25s. per ton.

Senator O'KEEFE.—We are dealing with the increase in the price of leather.

Senator MULCAHY.—I shall deal with the increase in the price of leather also. Is the man who has potatoes to sell to-day to be characterized as a profiteer for charging what he is legitimately entitled to get for his produce? In the same way, why should not the man who produces hides, or the tanner who makes them into leather be allowed to obtain the market value for the article which he manufactures? We cannot attribute the increase in price to any Ring, although the middleman may come into the business to a certain extent. As Senator Millen has said, the middleman might to a considerable extent be done away with; but he cannot be done away with entirely, because he fulfils a necessary function in the interests of the community.

Senator NEEDHAM.—Why should we pay more for an article here than is obtained for the same article overseas?

Senator MULCAHY.—I do not accept Senator Needham's dictum. He told us this morning that something was sold in London for 5½d. per lb. which cost 1s. 3d. per lb. here.

Senator NEEDHAM.—That is an absolute fact.

Senator MULCAHY.—I do not suggest that the honorable senator does not think so, but I believe that he has been misinformed, and he did not say what was the particular article to which he referred.

Senator NEEDHAM.—I told the honorable senator that I referred to meat.

Senator BAKHAP.—An Englishwoman told me that it was selling in London for from 2s. 8d. to 3s. per lb.

Senator MULCAHY.—I have said that we are dealing with a most complex matter, and it is worthy of an honest inquiry, without party feeling. Such an honest inquiry into the question might very well be made.

Much has been made of the fact that this Parliament has not constitutionally the power to deal with this question, and it is suggested that the people should be asked by a referendum to give the necessary power. The referendum is an instrument of government which our friends opposite believe in, but for which they do not care very much when its results are not in accordance with their own views. They forget that at a referendum the people of Australia declined to give these powers to the Commonwealth Parliament. I may say that I helped in that, whatever the value of my help was, and honorable senators on the other side freely blame the party on this side for the result of that referendum. They overlook the fact that a cardinal feature of our Federation is that the Commonwealth Parliament is only to do the work delegated to it by the States who created it, and these States retained the power to deal with matters of domestic concern themselves. The people declined to transfer those powers, and did so by means of the instrument of government which our

honorable friends opposite have as a plank of their platform.

Senator O'KEEFE.—Let us try it again, and the honorable senator will see.

Senator MULCAHY.—I do not believe in the referendum. In my opinion, the last two referenda disgraced the name of Australia.

To come back to the question of leather, honorable senators opposite do not follow out these things in their proper sequence, and I shall remind them of a little history. They probably know as well as I do that some years ago the tanners and curriers and other people engaged in the manufacture of leather appealed to Mr. Justice Higgins, in the Arbitration Court, for the betterment of their working conditions. As a result they got larger wages, shorter hours, and better conditions. That was due to a decision of the Arbitration Court, which a good many of our honorable friends opposite are denouncing to-day.

Senator O'KEEFE.—The honorable senator has never heard a denunciation of the Court from any honorable senator on this side.

Senator MULCAHY.—I am not dealing with this as a personal matter. I refer to members of the Labour party elsewhere. Let honorable senators take a common-sense view of the question. What followed upon the adoption of more expensive methods of manufacturing leather? Necessarily the tanners having to pay higher wages to their operatives raised the price of leather to meet the increased cost of manufacture. If honorable senators contend that the leather manufacturer should pay the increased cost, the answer is that he would be ruined straightway, and people do not go into a business to be ruined. The leather manufacturer had a right to demand and obtain a higher price for his leather. The price of leather went up. Whether it went up more than it ought to have done I cannot say, but if it did that would have been profiteering, and not legitimate. What naturally followed upon the increase in the price of leather was that the price of boots went up. A little later the boot operatives appealed to the same Judge in

the Arbitration Court, and, finding that their conditions were not as good as they ought to be in a civilized country like Australia, he made an award which improved those conditions. What followed upon that? Naturally, a further rise in the price of boots. Was there any profiteering in that? Incidentally, I will admit that some men may try to obtain a larger profit than they are entitled to, because of an increase in the cost of manufacture. That is not confined to war-time. It goes on continually in trade and in other avenues as well. It is human nature, and a failing with which we must reckon when considering this problem. The Government have tried to deal with the matter to a certain extent by the imposition of the war-time profits tax.

Senator NEEDHAM.—Does the honorable senator call that trying to deal with the matter?

Senator MULCAHY.—I cannot expect that honorable senators opposite will agree with all that I say. A war-time profits tax was imposed, but whether it was sufficiently heavy will be a matter of opinion. My honorable friends opposite are often concerned to know who are the guardians of the profiteers and capitalists in Australia. I can soon tell them.

Senator GARDINER.—Let us have it.

Senator MULCAHY.—They are the people who floated debentures for the benefit of a class of capitalists who do very little good for the community, and made those debentures free of taxation. That was done by a Treasurer of the Commonwealth.

Senator NEEDHAM.—Who was that?

Senator MULCAHY.—A former Leader of the Labour party in another place.

The PRESIDENT.—The honorable senator's time has expired.

Senator GRANT (New South Wales) [3.15].—I realize that this is by no means an easy matter to solve, but the whole of the State Parliaments have the necessary power, although, unfortunately, they are dominated by the same type of representatives, the friends of the profiteers, as are to-day on the Ministerial benches in this Parliament. It

would be too much to expect, in the present circumstances, that any of the State Parliaments would deal with the profiteers, because the Upper Houses of our State Parliaments practically control the whole of their legislation. The Commonwealth Parliament is elected by the whole of the people of Australia, and, in my opinion, should have power to deal with this problem.

Senator BAKHAP.—But you said just now that we were dominated by the profiteers.

Senator GRANT.—I stated that members of the Ministerial party very largely represented the profiteers, and that, in consequence, this Parliament is not at present prepared to legislate against their interests.

Senator BAKHAP.—And yet you want all the power to legislate conferred upon this Parliament.

Senator GRANT.—Because I am prepared to trust the Federal Parliament, although, unfortunately, at present the representatives of the profiteers are in possession of the Ministerial benches. Honorable senators opposite assure us that what is required to solve the present problem is more production, but that, in my judgment, would merely mean more profit for those who are already making substantial incomes, and it would not prove a successful solution of the difficulty. The Customs Act provides some remedy, although I am not quite sure that it would work out satisfactorily in the long run. I understand that, under the Customs Act, it is competent for the Minister to refuse permission for the exportation of any commodity should he deem it to be necessary, and I think that if the Minister looked into this question of the shortage of leather he might very well refuse to allow exportation until the whole of the requirements of the people of Australia had been met. But then we do not expect the present Minister for Customs, as a member of the Ministerial party to which I have referred, to do anything of the kind. There appears to be something suspicious about the action of the Government in passing regulations, with the concurrence of both Houses, to deal with wool and a number of other com-

modities, in which they are more or less directly concerned, and not dealing with leather in the same way. If it is a good thing to deal with wool it should be equally good to deal with leather in this way. There is nothing to prevent the Government from prohibiting an undue exportation of leather, but there is a good deal to be said in favour of the contention that the producers are entitled to get the full market value for their produce. At the same time something should be done to see that a reasonable quantity, at least, of any commodity is kept in Australia for home consumption. It is not fair to the people to permit the whole of any product to be exported, if such exportation is likely to prejudice their interests. Fortunately, at the outbreak of the war we possessed a woollen mill of our own. In connexion with this matter it is always more or less amusing to me to hear honorable senators characterizing Australia as belonging to the people when, as a matter of fact, it belongs to a limited number of people only. The Commonwealth Woollen Mill really is the property of the people, and when the war broke out we were able to manufacture material required for our soldiers' clothing. Thus we were able to say, with a fair degree of accuracy, what the cost was, and to lay down prices for the output of other woollen mills that had been commandeered. If it had not been for the existence of the Commonwealth Woollen Mill I have no doubt that Australia would have been called upon to pay a much larger sum than that which was accepted by manufacturers for woollen goods furnished by them. The experience in connexion with our woollen mill suggests a way out of the present difficulty so far as leather is concerned. The Government might find it advantageous to produce the leather, and so govern the price; but, unfortunately, we can hardly expect this Government to do anything like that. Personally, I think the Government and this Parliament ought to be clothed with full powers to deal with the price-fixing in a comprehensive way. Until we get that authority I am afraid we cannot do very much. It is just as well that the public should be candidly informed that so far

as the present Government are concerned no relief can be expected from existing high prices. I am inclined to think, however, that in the near future the Government will be compelled to submit to the people, for their approval, amendments of the Constitution practically in accordance with those that were rejected on two previous occasions. If they do, we may depend upon it that the amendments will be accepted by a substantial majority. In the meantime I hope the Government will instruct the Minister of Customs to prevent the export of leather or any other commodity that may be required in Australia. This is a perfectly fair request. Now that the War Precautions Act has gone by the board, the Government have left the poorer sections of the community at the mercy of the profiteers. It is a pity that all the regulations were not repealed, because then the whole of the people would have had the same treatment. The Government should, as soon as possible, submit the necessary amendments of the Constitution to the people so that when we have a fresh election, and Labour is returned to power, the profiteers may be dealt with effectively.

**Senator RUSSELL** (Victoria—Vice-President of the Executive Council and Acting Minister for Defence) [3.28].—It was not my intention to speak in this debate, but I want to take advantage of this opportunity to say a few words in reply to Senator Barnes; to state certain facts, and protect the good name and reputation of my colleague the Minister for Customs (Mr. Greene), who is not guilty of the charge that has been levelled against him by Senator Barnes. Though the Minister for Customs has taken over the duties connected with the handling of cornsacks, probably I have had more to do with that matter, in recent years, than any other member of the Government. In 1915-16 there was a very heavy harvest in Australia, and a shortage of cornsacks, and a large quantity of wheat had to be stacked on the ground. We communicated with the Indian Government with the object of importing cornsacks, but they definitely refused our request. The following season, when there was again the prospect

of a shortage of cornsacks, we again communicated with the Indian Government, and by that time there was a jute controller in Calcutta. We succeeded in obtaining bags at 9s. 7½d., as Senator Barnes correctly indicated; but that was based on freight at 120s. and exchange at roughly, 12 per cent. Senator Barnes said that we "deluded them with a profit." How was it made? It was by cutting out exchange to the extent of £72,000.

**Senator BARNES.**—Then you lost more than I said you did.

**Senator RUSSELL.**—Following that, we entered into negotiations with the Commonwealth line of steamers and with the British Government, and succeeded in reducing freight from 120s. to 80s. per ton. That is where the profits came in. But, after we had exhausted all British ships available, and all the Commonwealth line of vessels which we could secure, I found myself in a position where I would have been compelled, had the season been normal, to engage at least four more boats to bring the balance of our order to Australia. The lowest offer made to me from a neutral source was £15. a ton. One shower of rain, had it fallen throughout the Commonwealth during the season in question, would have meant that the sum of £117,000, which was really a trust fund held in reserve, would have gone—in actual fact—to the owners of Japanese vessels by way of payment for bringing the balance of the cornsacks order here. I will not say that it was, by any means, a fortunate fact that Australia was undergoing a dry season; but, in view of the circumstances, I suspended negotiations for conveying the balance of those bags to the Commonwealth, and thus saved the amount quoted in freight. The Indian Government then notified us—the armistice terms having been arranged—that they would not permit us to buy any more bags in India. The condition set forth in the previous contract in regard to that matter was to the effect that we must distribute those bags through the usual distributing channels.

**Senator GARDINER.**—The profiteers.

Senator MULCAHY.—That was honest business.

Senator RUSSELL.—I will not argue the matter, but will confine myself to a statement of fact. That notification was received by the Commonwealth authorities from India, and I recommended to the Cabinet to make known to the trade of Australia that we were no longer in the business. I recommended, further, that we should sell those bags at the earliest possible moment; and that was nearly eight months ago. I publicly advertised and sent out circulars, not only to the various firms in the business, but to co-operative societies and the farmers themselves; yet I could not sell a bag. The reason for that was that the Calcutta market had dropped. I began to wonder then whether that sum of £117,000 would be available, in view of the falling market. The offer remained open for six months; but there was not an individual firm in the trade, nor a farmer in the Commonwealth, who could not have bought those bags, and I would have thanked God and sold them. The bags were eventually sold under the usual contract conditions. The trade waited upon me—and the deputation included both co-operative societies and private enterprise—and the speakers begged the Government, seeing that there were so many bags in Australia, to relieve them of 25 per cent. of their contract obligations. I recommended that the Government should accede to that request. Cabinet approved, and the co-operative companies, which now say that they wanted to buy, were relieved by me of 25 per cent. of their written contracts, in view of the dry season.

The next stage was that a drought occurred in India, and the market went up. Upon her limited market, India started profiteering, and the reflection of that state of affairs was shown here. Indeed, I am very doubtful whether we shall be able to secure a sufficient quantity of bags for our requirements. Indian merchants seized the opportunity, and engaged in profiteering. We cannot in any way control the goods which we import from other countries. I was very firmly con-

vinced of that during the period in which I was concerned with price-fixing in another Commonwealth Department.

With the drought in India, there was a shortage of juice; but the same drought created a shortage of rice also. Therefore, I am profiteering to-day, in the interests of the farmers of Australia, because I am making full use of the opportunity to sell their wheat at the highest price in the eastern markets.

Senator GARDINER.—That is not the wheat which you sold to Georgeson?

Senator RUSSELL.—I am not prepared to discuss a question which is now before a Commission.

Senator GARDINER.—It would not be discussing it if you were to answer my question.

Senator RUSSELL.—The whole of Australia is involved in profiteering, because of this opportunity to sell Australian wheat at the highest possible price to the people of Japan, India, Mesopotamia, and the East generally. I am not defending profiteering; and I am willing and anxious that the Commonwealth Constitution should be extended at the earliest possible moment in order to give full and unlimited powers to this Parliament to deal with profiteering. No honorable senator opposite could go further than I am prepared to go in that respect. Profiteering, however, is a big and complex question. We are selling wheat at 5s. to-day in Australia; but, owing to the conditions arising from the war, and very largely because of the shortage of freight, we are securing the last penny possible upon our foreign orders.

When the war broke out, there was no market for rabbit skins and rabbits. Subsequently we secured a contract, and controlled rabbit skins. Prices were fixed, and every one concerned was glad of the fact. The price increased to about 2s. per lb. for rabbit skins. The demand for that commodity was booming all over the world. Our system did not enable us to trace the individual suppliers of skins.

Senator BARNES.—You never tried to do so. We could have given the particulars to you in twenty-four hours.

The PRESIDENT (Senator the Hon. T. Givens).—Order! The three hours allotted for the discussion of this motion have expired.

### EXPORTATION AND PROFITEERING.

Senator GARDINER asked the Leader of the Government in the Senate, *upon notice*—

1. Is the Government aware whether contracts have been entered into for the supply of food and clothing to certain persons for the purpose of exportation?

2. If so, will the Government inquire if the carrying out of these contracts will seriously increase the cost of the necessities of life to the people of Australia?

3. Will the Government immediately introduce legislation to prevent profiteering and speculation in the people's food supplies?

Senator MILLEN.—The answers are—

1. No.

2. If the honorable senator will supply the information in his possession, full inquiries will be made.

3. This is a matter coming within the jurisdiction of the State Governments.

### WAR LOAN CAMPAIGN.

Senator PRATTEN asked the Minister representing the Treasurer, *upon notice*—

What was the total commission paid in New South Wales in connexion with the last war loan campaign, and of that total how much was paid for subscriptions in the metropolitan area?

Senator MILLEN.—Steps are being taken to secure the information desired.

### WOOL POOL.

Senator PRATTEN asked the Minister representing the Prime Minister, *upon notice*—

1. How much skin wool was put into the Wool Pool in seasons 1915-16 and 1916-17—the season's figures to be given separately?

2. Will these wools participate in any dividends over and above the flat rate, 15½d. per lb. on a greasy basis?

3. If it is a fact that it has now been decided by the Central Wool Committee that skin wools for seasons 1918-19, 1919-20 will not participate in any dividends over and above the above-mentioned flat rate, to whom will these dividends go?

Senator MILLEN.—Inquiries will be made, and a reply furnished as soon as possible.

### SUGAR SHORTAGE.

Senator GRANT asked the Minister representing the Minister for Trade and Customs, *upon notice*—

1. Is he aware whether there exists an acute shortage of sugar in Sydney, so far as retailers are concerned?

2. If so, what steps, if any, are the Government taking to remedy any shortage?

Senator RUSSELL.—The answers are—

1. Yes.

2. Every effort is being made to try and cope with the situation that has arisen through the supplies of raw sugar being held up in Queensland through the seamen's strike. It is hoped that a shipment of sugar will arrive in Sydney before any serious shortage arises.

### MINISTERS IN LONDON.

Senator O'KEEFE asked the Minister representing the Prime Minister, *upon notice*—

Will he lay on the table of the Senate a return showing—

1. The names of officials who went from Australia directly or indirectly connected with, employed by, or attached to the Prime Minister on his last visit to Europe?

2. The total costs charged, or to be charged, to Australia in connexion with such officials, including their salaries, from the date of their leaving Australia till their return?

3. The total amount charged, or to be charged, to Australia for the expenses of the Prime Minister on the same visit to Europe from the date of his leaving Australia until his return, and the dates of his leaving and probable return?

4. Similar information in connexion with the visit of the Minister for the Navy and officials connected with, or employed by, or attached to, his staff?

5. Similar information in connexion with the visit of the Minister for Defence and the officials connected with, or employed by, or attached to, his staff?

Senator MILLEN.—It is not possible, at this juncture, to furnish the whole of the information; but the available information will be supplied as early as possible.

### BLYTHE RIVER IRON DEPOSITS.

Senator BAKHAP asked the Minister representing the Prime Minister, *upon notice*—

Will he instruct the experts who have been examining the Blythe River iron deposits to make examinations of all the other discovered iron ore deposits within reasonable distance of

the Blythe River mine which may present possibilities of working the whole of the iron deposits of the district in which the Blythe River mine is situated, as one large associated proposition?

Senator MILLEN.—The experts engaged by the Commonwealth Government are being employed to report solely on the Blythe River deposits, and until their report has been received and perused, it is not considered advisable to authorize them to make further investigations.

### COMMONWEALTH PUBLIC SERVICE.

#### REPORT OF MR. McLACHLAN.

Senator PRATTEN (for Senator THOMAS) asked the Minister representing the Prime Minister, *upon notice*—

When will the report of Mr. McLachlan, dealing with the organization of the Public Service, be laid on the table of the Senate?

Senator MILLEN.—The report is now receiving consideration by the Government. I am unable to say when it will be available for publication.

### TRANSFERRED OFFICERS.

Senator MULCAHY asked the Minister representing the Prime Minister, *upon notice*—

1. Does the Government construe section 84 of the Commonwealth Constitution Act, and section 69 of the Public Service Act, No. 5, of 1902, as imposing upon the Administration a moral and equitable obligation to preserve and respect all “existing and accruing rights” held by transferred officers under State laws, or enjoyed under State departmental regulations where no specific enactment existed, at the time such public servants passed from State to Commonwealth?

2. To what extent have the claims of transferred officers under the Acts and sections referred to been recognised?

3. Have the claims of such officers, with regard to salary increases, duration of service, and furlough, as established by the laws or the departmental regulations of the States at the time of transfer, been dealt with by the Commonwealth; and, if so, in what way?

Senator MILLEN.—Inquiry will be instituted into those questions.

### MORATORIUM BILL.

Bill received from the House of Representatives, and (on motion by Senator MILLEN) read a first time.

### ADJOURNMENT.

#### IMPRISONED MEN FROM H.M.A.S. “AUSTRALIA.”

Motion (by Senator MILLEN) proposed—

That the Senate do now adjourn.

Senator GRANT (New South Wales) [3.45].—Has the Acting Minister for Defence any information to give concerning the boys from H.M.A.S. *Australia* who have been imprisoned for infringing certain regulations? I understand they are confined in the Goulburn gaol, and that it is difficult for their parents to visit them owing to the long and costly journey involved.

Senator RUSSELL (Victoria—Vice-President of the Executive Council, and Acting Minister for Defence) [3.46].—I have no later information, but I shall make inquiries regarding their position.

Question resolved in the affirmative.

Senate adjourned at 3.46 p.m.

## House of Representatives.

Friday, 8 August, 1919.

Mr. SPEAKER (Hon. W. Elliot Johnson) took the chair at 11 a.m., and read prayers.

### VISCOUNT JELLI COE'S REPORT.

Mr. BURCHELL.—Is the Acting Minister for the Navy able to advise the House when Admiral Viscount Jellicoe's report is likely to be received by the Government.

Mr. POYNTON.—I expect to receive it early next week. When I last saw his Lordship in Sydney, just before he set out on his island tour, he intimated to me that his report would be in the hands of the Government before he left for New Zealand. I learn from this morning's newspapers that it has been finalized, and in all probability we shall receive it early next week.

## PROFITEERING.

## PRIME MINISTER'S LEGISLATIVE PROPOSALS.

**Mr. HIGGS.**—I assume that the Acting Prime Minister is in close touch with the legislative proposals of the Prime Minister (Mr. Hughes), and I wish to ask him whether he is aware of the legislation which his leader intends to introduce to fight profiteering? Why should the Government wait for the Prime Minister's return before introducing such legislation.

**Mr. WATT.**—I assume that my honorable friend founds his question upon a cablegram which appeared in last night's *Herald* and this morning's newspapers.

**Mr. HIGGS.**—And other sources of inspiration.

**Mr. WATT.**—If the honorable member has other sources of inspiration or information this is quite his maiden exhibition in that respect. Why does he become so excited when he reads in the press that the Prime Minister is going to fight Bolshevism and profiteering?

**Mr. HIGGS.**—I was never so calm in my life.

**Mr. WATT.**—Then the honorable member is apprehensive?

**Mr. HIGGS.**—Only curious.

**Mr. MAHONY.**—Why has not the Government already taken action to deal with profiteering?

**Mr. WATT.**—That has already been explained. It is because of the constitutional limitations under which the Parliament labours.

**Mr. MAHONY.**—Why do you not go for an alteration?

**Mr. WATT.**—I might as well ask the honorable member why he does not assist us to fight the Bolsheviks.

**Mr. PAGE.**—He is writing poems every day.

**Mr. SPEAKER (Hon. W. Elliot Johnson).**—Order! On several occasions I have had to call attention to the irregular practice that is developing of carrying on something in the nature of a debate upon questions put to Ministers. If this practice is continued I shall have to intervene, and confine the asking of

questions without notice to matters of urgent public importance.

**Mr. WATT.**—I have been hopeful, sir, that you would take such action. It would certainly relieve Ministers, for nothing is more embarrassing to a Minister than to be interrupted when framing replies to questions dealing with important constitutional and public problems.

## TAXATION DEPARTMENT.

## APPOINTMENT OF FOURTH CLASS CLERKS.

**Mr. TUDOR.**—Is the Acting Prime Minister yet able to place on the table of the Library the Public Service Commissioner's file relating to the recent appointment of ten fourth class clerks to the Taxation Department?

**Mr. WATT.**—In accordance with my promise, I again communicated yesterday with the Prime Minister's Department and the Public Service Commissioner's Office, but there is some doubt as to the particular appointments referred to.

**Mr. TUDOR.**—I supplied the information yesterday to the honorable gentleman's secretary.

**Mr. WATT.**—I have not spoken to him this morning in regard to this matter, but I shall endeavour to answer the honorable member's inquiry before the House rises to-day.

## RETURN OF THE PRIME MINISTER.

## PARLIAMENTARY ADJOURNMENT—PEACE TREATY.

**Mr. WEST.**—With the object of eliciting information, and affording the Acting Prime Minister an opportunity to explode his humour, I desire to ask the honorable gentleman to intimate the date on which it is proposed to adjourn Parliament, and the extent of the adjournment, so that honorable members may make arrangements to address their constituents on the boiling subjects at the present time engaging public attention?

**Mr. WATT.**—What are the boiling subjects to which the honorable member refers? When the probable date of the Prime Minister's arrival in Australia becomes clearer, the Government will an-

nounce, as early as possible, for the information of honorable members, what arrangements, if any, it proposes to make for the adjournment of Parliament, and for the introduction of the Peace Treaty discussion.

### INCREASE IN WAGES AND PRICES.

#### SEAMEN'S WAGES—PRICE OF WOOL, MEAT, AND BREAD.

Mr. PIGOTT.—Can the Acting Prime Minister inform the House of the extent to which the wages of seamen have been increased since the outbreak of the war?

Mr. WATT.—I am unable to say from memory the extent of the increases made in the wages of the seamen of Australia under the various awards since the outbreak of war; but, speaking from memory, since 1911, when the Court first undertook to analyse their claims, the increase in round figures amounts to between 75 and 78 per cent. in actual wages. That increase, it must not be forgotten, extends over a period prior to the outbreak of the war.

Mr. TUDOR.—Will the Acting Prime Minister institute a comparison between the increase in the wages of seamen since 1911 and the increase in the price of wool during the same period?

Mr. WATT.—I think that could be done; but these are not related questions.

Mr. RODGERS.—The increase in the price of wool is 50 per cent.

Mr. TUDOR.—It is 300 per cent.

Mr. WATT.—If the honorable member has this information accurately stowed away in the cells of his brain, he might as well supply it at once to the House. I do not think the increase in the price of wool has been as great as he contends. He may rest assured, however, that any information possessed by the Government in regard to such matters will be freely made available to the House. All that I will ask is that the subjects covered by a question shall be duly related.

Mr. RILEY.—Will the Acting Prime Minister present to the House a return

showing the increased cost of wool, meat, and bread to the people since the inception of the war?

Mr. WATT.—In view of the fact that these matters have been discussed so often since we met last June, I do not think the honorable member's question is urgent. If he will place upon the notice-paper a question setting out the information desired by him, I will ascertain whether it can be obtained.

### SHIPBUILDING IN AUSTRALIA.

#### COST OF CONSTRUCTION.

Mr. FENTON.—Will the Acting Minister for the Navy state whether, as suggested in the press a few days ago, there is any great difficulty in the way of Viscount Jellicoe securing information as to the cost of constructing Commonwealth ships in Australia?

Mr. POYNTON.—I have already intimated through the press that I do not think that Viscount Jellicoe was correctly reported in regard to the statement that he could not obtain the cost of constructing ships at Walsh Island. I do not know that his Lordship's Admiralty functions have anything to do with merchant ships.

Mr. FENTON.—Or with the cost of constructing merchant ships here?

Mr. POYNTON.—Or with the cost of their construction. It ought to be well known to honorable members that the cost per ton of constructing vessels at Walsh Island is based on the cost of construction at Williamstown. Even if Mr. Ball had been asked by Viscount Jellicoe to supply him with information as to the cost, he might very correctly have replied that at the present moment he could not say what it was. Now that the first ship has been completed, we hope within a few days to be able to state exactly how much per ton it has cost. Six ships are being constructed at Walsh Island and six of a similar type are being built at Williamstown, and I take it that the cost at Walsh Island will be the average cost of shipbuilding at Williamstown.

## LETTERGRAMS: TASMANIA.

**Mr. ATKINSON.**—Some time ago various representative bodies of Tasmania urged the Postmaster-General to permit the use of lettergrams in that State, in view of its particularly isolated position as the result of the seamen's strike. The honorable gentleman replied that he could not differentiate between the States. Does he base his refusal on the ground that he has no constitutional power to grant the request? If not, does he not consider that the special circumstances of Tasmania at the present time call for special consideration?

**Mr. WEBSTER.**—I have already stated that I am advised that the Constitution does not permit me to differentiate in the treatment of the various States.

## EXPORT OF HORSE FLESH.

**Mr. PIGOTT.**—Is the Minister for Trade and Customs aware that there is a big demand in Europe for horse flesh, and that 1,700 Australian horses were recently sold at £17 per head to French butchers? If so, will he remove the embargo on the export of horse flesh from Australia?

**Mr. GREENE.**—My attention has been called to the facts stated by the honorable member, but it is not considered that it would be in the public interest to authorize the export of horse flesh.

## AUSTRALIAN SOLDIERS IN NORTHERN RUSSIA.

**Mr. BRENNAN.**—The attention of the Acting Prime Minister has, doubtless, been directed to the fact that certain Australians are engaged in Northern Russia in connexion with the military operations which are being carried on there. Having regard to the fact that these soldiers were not recruited, and are not controlled, by the Australian Government, will the honorable gentleman take the steps necessary to see that the good name of the Australian soldier, and of Australia itself, is not tarnished by association with what so many good Australians conceive to be an iniquitous invasion upon the Russian proletariat?

**Mr. WATT.**—I do not know whether it is a fact that Australian soldiers are taking part in the occupation of Russia, nor do I know the circumstances under which any Australian soldiers who may be in Russia were enlisted. When the war was over, and demobilization was in sight, the Government made it perfectly plain that it was the desire of the people of Australia that the whole of the Australian troops should be returned as early as possible, and should not be used anywhere except on those Fronts where they had been employed prior to the Armistice. However, I will make the necessary inquiries, and inform the honorable member at a later stage.

## INDUSTRIAL COMMISSION.

**Mr. BLAKELEY.**—Some time ago the Minister for Works and Railways (Mr. Groom) said that it was the intention of the Government to convene an industrial conference. In view of the increasing industrial unrest in Australia, can the Acting Prime Minister say now when that conference will be called, and what its special function will be?

**Mr. WATT.**—I have had no opportunity of conferring with the Minister for Works and Railways with regard to the statement which was made on the matter during my absence from the House, but the intention of the Government has been expressed in the proper quarters for some months past, and that is not to have an industrial conference, which it has occurred to me would not be likely to lead to final results, but to have a representative Royal Commission to inquire into the basic industrial problems agitating the minds of thinkers all over Australia. The desire of the Government has been to so arrange the personnel of that Commission that it will be equally representative, in the fullest sense of the word, of all the interests affected, and educative upon the question. The drawback has been—and that is why it has not been consummated by now—that I have not been able to get a number of the leading industrial unionists of Australia to look at the problem as I want them to look at it, for the purpose of setting the Commission at work. But

I am still hopeful that an early attempt will be made to tackle the bedrock problems of industrial legislation that have hitherto been overlooked.

**Mr. ARCHIBALD.**—Will the Government give instructions to the proposed Commission to investigate on the lines of the Whitley Commission in Great Britain?

**Mr. WATT.**—It would not be right at this stage to outline the scope of the proposed Commission; indeed, I could not do it from memory; but when the terms of the Commission are granted by the Governor-General the honorable member will see that they cover quite as wide an area as was covered by the Whitley Commission.

#### PUBLIC SERVICE.

##### OVERTIME AND TRAVELLING EXPENSES.

**Mr. RILEY.**—Is the Minister for Works and Railways in a position this morning to furnish the information I asked for last night in regard to overtime and travelling expenses of temporary employees in the Public Service?

**Mr. GROOM.**—No overtime is paid to any clerical or professional officers whilst travelling, except to permanent professional officers, under the professional officers' award. Travelling expenses are paid to either permanent or temporary officers. Temporary professional officers are not under any award, and the award in regard to temporary clerical officers does not make any provision for travelling.

#### BUTTER POOL.

**Mr. RODGERS.**—Reference has been made in the House, and in the country, to the fact that the Butter Pool control has been so arranged as to create a shortage of butter with a view to enhancing the price of commodities. Can the Minister for Trade and Customs insure the House that at all times a sufficient supply has been kept in sight for the requirements of the Australian trade?

**Mr. GREENE.**—I have heard it asserted that the Dairy Produce Pool Committee had so controlled matters as to permit too much butter to be ex-

ported. The facts are entirely the other way. As the records of the Pool will show, they started storing in December last owing to the seasonal outlook at the time, because they anticipated that there would be a very acute winter shortage, and they kept steadily storing butter until quite late in the autumn, when it became apparent that supplies were ample. As a matter of fact, they will have at least 60,000 cases in excess of winter requirements in the Winter Pool, which, in due course, will be passed over to the Imperial Pool. This is sufficient to show that they have made not only full provision, but more than full provision, for the Australian trade.

**Mr. BURCHELL.**—In view of the statement of the Minister that there is a surplus in the Butter Pool—

**Mr. SPEAKER (Hon. W. Elliot Johnson).**—It has often been pointed out that it is not in order to ask questions arising out of a reply given by a Minister to a question.

**Mr. BURCHELL.**—I shall put it in a different way. Will the Minister for Trade and Customs consider the question of reducing the price of butter to the consumers of Australia?

**Mr. GREENE.**—If we use the butter that has been stored, we shall have to pay not only the price at which it went into the Pool, but also storage charges. The result of putting that butter on the Australian market would be that it would cost the Australian public more than they are paying to-day.

#### REWARDS FOR WAR SERVICES.

**Mr. BRENNAN.**—Has the Acting Prime Minister observed that the British Parliament's expression of thanks to certain distinguished Generals and Admirals has been accompanied by very substantial grants of money, in certain cases amounting to £100,000? As these amounts appear to be somewhat disproportionate to the awards of the ordinary rank and file of the Army, has the honorable gentleman in contemplation anything of the kind in respect to the services rendered by Australians in the war, and does he consider that these

large grants of money make the world safe for Democracy?

Mr. WATT.—One may always rest assured that, when the honorable member rises, there is a joke lurking somewhere behind the serious exterior of his question. I have observed from the cables that the British Parliament has been asked to vote substantial sums of money for distinguished military and naval officers.

Mr. BRENNAN.—They are mostly Scotchmen.

Mr. WATT.—If that be the honorable member's grievance, I do not know why he did not make it plain when he was asking the question. It is the invariable custom of Great Britain, after an extensive campaign, to reward its leading officers on land and sea by tokens of the King's pleasure, and by substantial grants of public money, to enable them to support with ability the new rank to which they are called. The Commonwealth Government has not considered the question from an Australian point of view. Speaking personally, I do not think that anything of the kind is called for.

### WHEAT POOL.

Mr. GIBSON.—Will the Acting Prime Minister endeavour to ascertain as closely as possible the amount of wheat actually on hand, so that something like a correct value of scrip may be arrived at?

Mr. WATT.—Senator Russell, who is Chairman of the Australian Wheat Board, has already promised that at as early a date as possible the information asked for would be obtained.

### MORATORIUM.

Dr. MALONEY.—In view of the almost universal custom in Australia among the legal fraternity to render the moratorium null and void by inserting a clause in all mortgages, will the Acting Prime Minister bring under the notice of Cabinet the seriousness of allowing any section of the community to seek to defeat an Act of Parliament?

Mr. WATT.—Some time ago it was reported to me that this was being done, and I submitted the matter for the consideration of the Crown Law officers. I am not aware of the report submitted by the Department, but I shall make inquiries.

Mr. FENTON.—Seeing that Parliament is about to enact new moratorium conditions in the shape of a Bill, will the Acting Attorney-General issue a simple statement to the public pointing out to those who have mortgages on their property, the benefits to be conferred by the measure? There is a good deal of misapprehension in the minds of the public which could be allayed by the issue of such a statement.

Mr. GROOM.—The regulations of necessity are very long, very technical, and very complicated, but I am willing to have a short summary prepared as to the persons protected by the legislation, and their rights under it. If honorable members care they can supply the summary to any individuals who may communicate with them on the subject.

### WAR POSTAGE TAX.

Mr. FINLAYSON.—In view of the early ratification of Peace, can the Postmaster-General say when we may expect a discontinuance of the war postage tax, and whether negotiations are proceeding between the Postal Department and the Treasury with that end in view?

Mr. WEBSTER.—That is a matter which is dealt with by the Treasurer. If the honorable member will give notice of his question, the Treasurer will furnish an answer.

### PROPORTIONAL VOTING FOR SENATE.

Mr. HIGGS.—Can the Minister for Home and Territories give us any definite information as to whether the Government propose to introduce a Bill providing for proportional representation or preferential voting in connexion with Senate elections?

Mr. GLYNN.—A Bill will be introduced, and its contents will be seen as soon as it is laid on the table.

**FODDER SUPPLIES.**

**Mr. LYNCH.**—In view of the ruinous price of wheat bags, and the danger of drought conditions prevailing, bringing about a scarcity of fodder reserves throughout Australia, will the Government consider a proposition to pay a substantial bonus to all farmers cutting and thrashing their forthcoming wheat crops, and, in this way, properly conserving the by-products?

**Mr. WATT.**—The Government are well aware of the solicitude which the honorable member shows for the producing interests, a solicitude which Ministers cordially share with him. But notwithstanding that encomium I am not prepared to assent to the honorable member's proposition.

**CENTRAL TELEPHONE EXCHANGE.**

**Mr. BRENNAN.**—A little time ago I asked the Postmaster-General a question as to the number of subscribers to the Central Telephone Exchange at the end of 1913, compared with the number at the end of 1919.

**Mr. HECTOR LAMOND.**—Is the honorable member referring to the Central Exchange in Sydney?

**Mr. BRENNAN.**—No; the Central Exchange in the Federal Capital—Melbourne. The Minister told me in reply that to answer my question would be misleading. I wish to ask him whether so simple and direct a question—the number of subscribers at the end of 1913, and the number at the present time—may not be answered in a way which is not misleading?

**Mr. WEBSTER.**—As honorable members will realize, the questions of the honorable member for Batman must be interpreted, not as they appear on the notice-paper, but by what one can read into them, or by what is behind them. I have already replied to the honorable member's question. My reply was based upon the factors involved in it. I was asked to give some information which, for the purpose for which he sought it, would be misleading, not only to the honorable member, but also to those for whom he sought it. I decline to give misleading information.

**COUNTRY MAIL CONTRACTORS.**

**Mr. PIGOTT.**—In view of the drought in the northern and western parts of New South Wales, and having regard to the very high price of produce, has the Postmaster-General yet considered what allowance he will make to country mail contractors?

**Mr. WEBSTER.**—I refer the honorable member to a reply I gave yesterday to a question upon notice.

**TELEPHONE DISCONNECTIONS.**

**Mr. SINCLAIR.**—Some telephone subscribers who have regularly paid telephone rents for years have been unable, on account of the influenza epidemic, to attend to business matters, and have not renewed their subscription on the due date. Is it the usual practice of the Telephone Branch to cut off such subscribers without notice, and to then insist upon a payment of 5s. before the service is reconnected?

**Mr. WEBSTER.**—That is the rule which has been found necessary in order to safeguard the revenue of the Department.

**TREATMENT OF SOLDIERS ON TRANSPORTS.**

**Mr. MATHEWS.**—I ask the Assistant Minister for Defence if Ministers ever make inquiries into the treatment of soldiers on transports, or do they wait until there is a mutiny on board before they investigate the treatment of the men by the officers?

**Mr. WISE.**—I know that repeatedly questions are asked of returned soldiers as to whether there was any dissatisfaction on the transports by which they returned to Australia.

**WAR SERVICE HOMES.**

**Mr. RILEY.**—When will the Minister representing the Minister for Repatriation be able to make a statement to the House regarding the number of war-service homes already erected, and the steps that are being taken to secure cheap material for those buildings?

Mr. POYNTON.—I shall again bring that question under the notice of the Minister for Repatriation, who, I understand, has been endeavouring for some time past to get the information which the honorable member requires. I shall advise the honorable member later if the information is available.

### ADJOURNMENT (Formal).

#### PRICES OF HIDES, LEATHER, AND FOOTWEAR.

Mr. SPEAKER (Hon. W. Elliot Johnson).—I have received an intimation from the honorable member for Yarra (Mr. Tudor) that he intends to move the adjournment of the House to discuss a definite matter of urgent public importance, namely, “The serious situation which has arisen in connexion with increases in the prices of hides, leather, and footwear.”

*Five honorable members having risen in their places,*

Question proposed.

Mr. TUDOR (Yarra) [11.36].—I make no apology for moving the adjournment of the House to discuss this matter. If every honorable member is not seized of the importance of this subject to-day, I guarantee that before six months has elapsed every one of them will realize the great increase that has taken place in the price of footwear.

Mr. ATKINSON.—We realize that now.

Mr. TUDOR.—I assure the House that the price to-day is nothing to what it will be six months hence. I make that statement on the evidence of the best experts in the Australian leather trade. On page 7 of its report on boots and shoes, issued this year, the Inter-State Commission published a table showing the prices realized at auction for standard brands of New South Wales butchers' hides. They rose from 7½d. to 8½d. in July, 1914, to from 1s. to 1s. 1½d. in February, 1917. The prices fixed by the Government were 10½d. and 11d., but the order fixing prices was repealed on 14th May of this year. The following table shows the rates

realized at auction in Melbourne before and after the withdrawal of fixed prices:—

Date.	Stouts.	Good.	Medium.	Lights.	Kips.	Calf, best salted.
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
2-9.5.19	1 1½	0 10½	..	0 10½	0 10½	1 11
[Price fixing order repealed 14th May, 1919.]						
16.5.19	1 4	1 2½	1 2	1 1½	1 0½	1 11
	to	to	to	to	to	
23.5.19	1 6½	1 3½	1 3½	1 2	1 2	1 11
	1 6	1 4	1 2	1 3½	1 1½	1 11
	to	to	to	to	to	
	1 8½	1 5	1 8	1 2½	1 3	
1.8.19	1 8	1 6	1 4½	1 4½	1 5	2 1
	to	to	to	to	to	
	1 10	1 7	1 5½	1 5½	1 7½	

There has been an increase of nearly 100 per cent. in the price of stout hides since May of this year. The fixed price for good hides was 10½d.

Mr. PAGE.—I draw attention to the state of the House. [*Quorum formed.*]

Mr. TUDOR.—Broadly stated, the position is that the prices of all hides have increased by 100 per cent. since the price fixing order was repealed on the 14th May, and they are still rising.

Mr. FENTON.—What is the highest price?

Mr. TUDOR.—Twenty-two pence, but the *Argus* commercial column to-day states that, although there was a greater quantity of hides offering, prices were from ½d. to 1d. higher than those offering last week. In May, 1916, the average export price was 23s. per hide, which weighs from about 50 lbs. to 60 lbs. The average weight of a hide is about 55 lbs. That would mean, that the price in May, 1916, was about 7½d. per lb. for extra heavy hides. The prices fixed by the Government were, approximately, 50 per cent. higher than that, but to-day even they have increased by 100 per cent. No farmer in the community is reaping the advantage of these high prices. The gain is going to the large meat works, and the persons who were holding back hides, and would not sell them to tanners.

Mr. RODGERS.—It is only fair to say that there was a prohibition against export, and that has created an excessive world demand.

Mr. TUDOR.—There was a partial prohibition; hides could be exported after the requirements of local tanners had been met. That partial prohibition was operating before the price-fixing order was repealed.

Mr. GREENE.—That is not quite correct.

Mr. TUDOR.—At one time there was a total prohibition of the export of hides, and later a Committee, comprising Messrs. Anderson, Campbell, and Donovan was appointed to see that the hides proposed to be exported were not of the types required by local tanners. Even then the tanners had to pay 50 per cent. above the rates prevailing in May, 1916.

Mr. LAIRD SMITH.—And the tanners could not get enough hides to meet their requirements.

Mr. TUDOR.—That is what they stated. The war has proved that Australian leather is as good as that produced in any other part of the world. Returned soldiers say that their bootwear and saddlery were equal to the leather equipment of any of the troops with whom they had been associated.

Mr. PAGE.—That must be so, because the Imperial Government gave an order for Australian leather.

Mr. TUDOR.—With every rise in the price of hides, there is a corresponding rise in the price of the manufactured article. The Inter-State Commission, at page 8 of their report, state that the fixed price for box hide was 1s. 3*1/4*d. per square foot, an increase of 53 per cent. over the price ruling in July, 1914. I guarantee that no man can buy box hide to-day at less than 2s. 9d. No manufacturer to-day knows where he stands. Hides are increasing in price; the tanner does not know what he will have to pay next week for the hides, or whether he will get sufficient for Australian requirements, and he does not know how much he will have to pass on. Every boot manufacturer will tell the same tale. This condition of things reflects not only on the operatives, but will reflect in the near future on the people who have to purchase boots and shoes.

Mr. WATKINS.—Boots are up easily over 100 per cent. retail.

Mr. TUDOR.—Whatever they are to-day, I guarantee they will be higher in six months' time. I am setting forth these facts in order to induce the Government to do something. It is all very well for them to say they have repealed the regulation dealing with hides. They dealt with other articles in the Commercial Activities Bill.

Mr. GREENE.—Does the honorable member suggest that we can deal with hides and leather in exactly the same way as we dealt with other articles under that Bill?

Mr. TUDOR.—I cannot see that the finished article of the sugar farmer in Queensland is different from the hide which another farmer in Queensland has to sell.

Mr. GREENE.—There is exactly the same difference between the power to deal with sugar and the power to deal with hides as there is between sugar and hides.

Mr. TUDOR.—If it means that the Commonwealth has absolutely no power to deal with this matter, and that we must hand it over to six Parliaments, with six different sets of conditions, the sooner we obtain an amendment of the Constitution the better. This is a question that can be dealt with only from an Australian point of view. The hides are produced in practically every State, and largely in Queensland. Tanning operations are carried on in practically every State, and largely in New South Wales and Victoria. Boot manufacturing is carried on in every State, and again largely in the two most populous States. We should not be afraid to deal with the problem ourselves. It has been dealt with effectively in England by means for standardization of boots and shoes and the limitation of profits. The Inter-State Commission, at page 30 of its report, states:—

Before the war England was one of the largest producers of boots in the world, a fact which gives a special significance to the acquiescence and co-operation of her manufacturers and distributors in the innovations recently introduced by the Government in

order to cheapen the prices of footwear. The particulars of the British system are as follows:—

Standard boots for men, women, and children were designed, some thirty-eight usual types being determined, which are enumerated together with their prices in Appendix E to this report. The official regulations prescribed after a conference between the manufacturers and the Department are quoted in the *Shoe and Leather Record* of 28th September, 1917. The full text of the article is printed in Appendix F. The principal regulations are as follow:—

- The Department shall issue leather to the manufacturer at fixed prices.
- The manufacturer shall sell boots at a fixed price, showing 5 per cent. profit to the manufacturer.
- The manufacturer's name shall be stamped on the inside of the shoe where it can be plainly seen.
- The Government brand and selling price (*i.e.*, retail) shall be plainly stamped on the sole.
- Retailers shall sell at a fixed price for cash at the price marked on the sole.

Mr. RODGERS.—What is the Queensland Government doing with the hides it produces on its own stations?

Mr. TUDOR.—The honorable member for Wannon (Mr. Rodgers) does not desire me to get in the Inter-State Commission's report on the question of the standardization of products and the limitation of profits. I have no intention of taking any notice of his interjections.

Mr. GREENE.—Does the honorable member suggest that the Inter-State Commission recommends the English legislation to the Commonwealth Parliament as something that we should adopt?

Mr. TUDOR.—The Minister tells me that this Parliament has no power to deal with the question. The Inter-State Commission is pointing out what has been done in other countries. My point is that, unless the Commonwealth Government take steps to deal with the matter, there will be a day of reckoning for them. If they can do it with one commodity, I fail to see why they cannot do it with others. It is quite possible that the certificate given by certain legal gentleman with the Commercial Activities Bill is not worth anything. They do not say in their certificate that the Act will stand the test of an

action brought in the High Court, and it is quite possible that it will be upset.

Mr. MCWILLIAMS.—It is quite clear that the increase in the price of boots is abnormal.

Mr. TUDOR.—Yes, and it cannot be said that it is due to an increase in wages. The boot operatives' wages have not been increased since July, 1918. I guarantee that the average wages cost for the manufacture of the boots that honorable members are wearing has not been more than 4s. 6d.

Mr. RODGERS.—Tell us about—

Mr. TUDOR.—The honorable member is very anxious to prevent me from showing that the boot operatives' wages have not increased. They have not increased in the tanning trade either for over four months. Knibbs' manufacturing statistics show that the wages cost in tanning is 11 or 12 per cent. I have not looked up the figures recently, so that what I have quoted may be slightly in error, but I undertake to say that 15 per cent. would more than pay the whole of the wages cost in the tanning trade. I have made inquiries on this subject from the general secretaries of the organizations all over Australia. They are the men who conducted the cases before the Arbitration Court, and they know the facts. Honorable members may, therefore, rest assured that there has been no increase in the wages in the boot trade for over twelve months, and no increase in the wages in the tanning trade since April of this year, when a rise of 3s. per week was granted. The minimum wage in the tanning industry for the lowest grade worker is 10s. 6d. per day. The pay for the highest grade, which only a few get, is £3 18s. per week, or 13s. per day. There has, therefore, been practically no increase in wages to account for the big increase in the cost of boots.

Mr. WATKINS.—We had better give them a little Free Trade when the Tariff comes on; it will do them good.

Mr. TUDOR.—I am not going to do that. I was pleased to read that a firm in New South Wales had obtained a contract to supply 200,000 pairs of boots to Great Britain. While I was at the Customs Department, which must be about three years ago, a firm in my electorate, where I believe half the boots

used in Australia are manufactured, was negotiating with the Russian Government to supply it with large quantities.

Mr. GREENE.—The honorable member agrees that we should be able to export boots.

Mr. TUDOR.—I understand that at the present time we can manufacture boots as cheaply in Australia as they are doing in any other part of the world, and I have no objection to the export of any fine, so long as the people of Australia have the right to buy the articles at the price at which they are exported. Every boot repairer can tell honorable members that the price of sole leather has gone up 100 per cent. The boots we used to get soled and heeled, prior to the war for 3s. 6d. a pair, to-day cost 6s. 6d. per pair practically all over Australia.

Mr. RODGERS.—What is the Queensland Government doing with the hides on its own cattle stations?

Mr. TUDOR.—The honorable member can ask that question when he makes his own speech. I am concerned, not about one State, but about all Australia.

Mr. RODGERS.—That State produces most of the leather.

Mr. SPEAKER (Hon. W. Elliot Johnson).—I ask the honorable member for Wannon not to interject so frequently. The honorable member who is speaking has several times complained of his interjections.

Mr. TUDOR.—Not only has sole leather increased in price, but upper leather has gone up also. While sole leather is sold by the pound, upper leather is sold by the square foot. In conversation with me the other evening, the Minister for Trade and Customs (Mr. Greene) said he believed that glacé kid had gone up 300 per cent., or 400 per cent., or more.

Mr. GREENE.—The raw material for that has to be imported.

Mr. TUDOR.—Yes; Australia does not produce enough goats to keep the tanneries going in that material. The Inter-State Commission, at page 24 of its report, shows that, in 1914, the price of good medium glacé kid was 1s. per square foot. In 1918 it was 2s. 7d. To-day it is probably 4s. 4d. The increase up to 1918 was 158 per cent., and the increase

to date is probably 350 per cent. Patent calf, in 1914, was 1s. 8*3*/<sub>4</sub>d. These are imported articles, and the import prices have gone up more than the prices of local products.

Mr. GREENE.—The relative rise in all leathers not produced in this country is much higher.

Mr. TUDOR.—I admit that, Patent calf, which was 1s. 8*3*/<sub>4</sub>d. in 1914, was 3s. 3d. in 1918—an increase of 88 per cent. I heard the other day that a firm on cabling to America received a quotation at 4s. 6d. per square foot. They replied within a few hours placing an order at 4s. 6d., and received word back as follows:—"Your offer is too late; the price is now 5s. 6d." I believe that to-day it to 6s. From a letter in the *Age*, on the 6th inst., from Jackson and Company, Melbourne, I find that bag-hide was 1s. 1d. a square foot, and 1s. 8d. in July, 1919; that in the same period pig belting rose from 1s. 1*1*/<sub>2</sub>d. to 1s. 9d., and grey suede from 1s. 4d. to 2s. 3d. Suede leather is made here, but the tanner has to pay more for his raw material and other requisites. The great difficulty, however, is that those concerned do not know where they are going to be landed. Yesterday I asked the Minister for Trade and Customs a question on the subject, and the answer he gave was that the Collector of Customs in each State has been instructed that permits for the exportation of both hides and leather may be issued, provided the leather inspector recommends exportation, and the Collector be satisfied by statutory declaration in each instance that such hides and leather as it is desired to export have been offered at current market rates to and declined by local manufacturers who use the class of leather or hides concerned. Prices are enormous all over the world.

Although some honorable members might say that sugar has no relation to the subject now under discussion, I may point out that had the embargo not been placed on the exportation of sugar in September, 1914, it would have meant the exportation of 20,000 tons, with the result that prices could have been raised indefinitely in Australia. We know that, owing to the

war, the flocks and herds of other countries have been greatly depleted; but the increase in prices is, in my opinion, out of all proportion. If a few of the big cattle men in America, or any other country, where millions of cattle are slaughtered, get control of the hides they can practically fix the price; there is nothing to stop them, except our people going without boots. That remedy, of course, is impossible, even for children, in the colder parts of Australia, and, with 12 degrees of frost, such as we experienced last week, it is a remedy we should not like to see applied in a civilized community like this. The Government ought to take the whole matter into serious consideration.

**Mr. GREENE.**—What steps do you think the Government ought to take?

**Mr. TUDOR.**—I suggest that there ought to be a complete Pool to deal with hides, leather, and boots, for one cannot be dealt with without the other. If we protect the tanner, we must also protect the boot manufacturer, and those who purchase the boots from the retailer. This is an Australian question, which no authority but the Australian Parliament can deal with.

We are told that Australia at the present time is being flooded with buyers from other parts of the world, and as one who had something to do with the embargo on the exportation of skins and hides, I ask honorable members to look up the statistics of the years just before the war, when they will find that hides and leather from Australia were going to Continental countries. It is quite possible that boots worn by our enemies were made from Australian hides, and that was my fear at the time the embargo was imposed. The result of the embargo was that the tanning trade in Australia received a great impetus, and I believe that Australian leather made a great name for itself. If our tanners can obtain the raw material, they ought to be able to turn out leather equal to that produced in any part of the world.

**Mr. FOWLER.**—Australian tanners can do that, but they do not always try.

**Mr. TUDOR.**—I admit that the tendency sometimes is to take the hides out

of the pits before they are properly tanned in order to get it quickly on the market.

**Mr. SPEAKER (Hon. W. Elliot Johnson).**—The honorable member's time has expired.

**Mr. PAGE.**—I call attention to the state of the House. I must have the Assistant Minister for Defence (Mr. Wise) present. [Quorum formed.]

**Mr. LAIRD SMITH (Denison) [12.8].**—This is a most complex question, and it is only by inquiry that the problem to be solved can be realized. Owing to the kindness of men in the business, who are only too glad to afford information, I have recently been able to pay considerable attention to the subject of leather production, right from the bullock's back to the tannery, and into the boot manufactory. No doubt there is a great shortage of hides in Australia, and tanners are unable to procure sufficient for their requirements, owing, I am informed, to the operations of American dealers. It has been explained to me that while in other countries tanners are able to "load" leather with glucose and other materials, that is not permitted in Australia; and, consequently, it pays foreign buyers to get hides here and treat them abroad. It will be seen how easy it would be for an American company to operate in Australia, and almost compel tanners to pay any price the Americans chose to place on the hides.

The question requires the most earnest consideration, and if the Government are not careful one section of the industry will be most harshly dealt with. It is absolutely necessary to encourage primary production as far as possible, in order to realize that wealth so essential to our paying our way. There is such a shortage of labour in the tanning trade that many tanners are willingly paying over the award rates, and are welcoming the services of returned soldiers. At one factory I recently visited I had pointed out to me a number of returned men who were being trained, so as to eventually become experts in a particular branch of the trade; and I hope that other employers will follow this excellent example.

I should like to see a better understanding between all those who are concerned in the various branches of the leather trade. I read an article the other day which was very severe on the manufacturer of leather, pointing out that that product is altogether too expensive, and implying that the tanners are responsible. That, however, is not the case. At one tannery I visited I was told of hides purchased in Queensland which had arrived in Melbourne quite unclassified, and quite useless for the purposes of this manufacturer, owing to the enormous brands on them; indeed, it is almost impossible to see any portion of a hide without a brand. In my opinion, Australia must be losing considerably every year owing to this unsystematic system of branding.

Mr. McWILLIAMS.—It is better to brand than lose the cattle altogether.

Mr. LAIRD SMITH.—I am always met with that argument; but, in my innocence, I wonder whether a bullock dies if it is not branded.

Mr. PAGE.—No; but you lose the bullock, and somebody else gets it.

Mr. LAIRD SMITH.—The hide does not go out of existence.

Mr. PAGE.—The bullock does!

Mr. LAIRD SMITH.—It is merely a change of ownership, that is all. A legislator in the Western Australian Parliament, who has given considerable attention to this serious question in a practical way, assured me, in the course of conversation, that the loss owing to unsystematic branding must be about £1,000,000 annually.

The Leader of the Opposition (Mr. Tudor) spoke of the treatment of glacé kid, patent leather, and other leathers of the higher class, but he will bear me out that there is considerable risk in the preparation of these leathers. The preparation of patent leather, for instance, is really a science.

Mr. TUNOR.—It is very difficult.

Mr. LAIRD SMITH.—An excellent patent leather is being produced in Australia, but the trouble is the great price of the ingredients used. For instance, there must be the best linseed oil, which has to be treated at a temperature which

causes considerable risk of fire in a factory. The profits of the tanner are not as large as many honorable members imagine.

Mr. McWILLIAMS.—They are doing very well.

Mr. LAIRD SMITH.—The honorable member knows more about the raising of cattle than the tanning of leather, and I assure him that the tanners are not making such huge profits as some appear to believe. The tanning industry should be encouraged. It takes a long time to build up, and now that it is established in Australia the Minister for Trade and Customs (Mr. Greene), must be careful not to do anything that might be disastrous to it. The boot manufacturers and the tanners must be prepared to give and take. Boot manufacturers should assist the Australian tanning industry by using only Australian leather. Our leather is quite as good as that made in America, and an important point is that we do not produce here the boot composition which is prepared in the United States of America, and in which there is practically no leather.

I do not think we need be much concerned about the export of leather to the United States of America. I was recently informed by a large firm who had exported leather to America, that the agents and brokers' fees, as well as other costs involved, in placing Australian leather on the American market, were so heavy that they were not likely to continue the trade. I would urge the Minister to make it possible for local tanners to obtain the hides they require at a price that will allow the growers a fair and reasonable profit. If that were done, it would go a long way to solve this problem. The situation at present is not likely to last. It can be only temporary, since its continuance would be disastrous to those who are supposed to be cornering hides. If the price of boots continues to increase, there will be an upheaval, and the people will insist upon something being done to bring them down to a reasonable level. There is produced in Australia a class of fancy boots which is retailed at about £3 5s. per pair, and there

is such a demand for them, even at that price, that, it is said, the factory which has specialized in their production can scarcely cope with it. A witness, who appeared recently before the Inter-State Commission, said that the people, and particularly the women folk, were prepared to pay these high prices, and that being so, he asked, why should they not be charged?

Mr. WATKINS.—In other words, “Why not rob the people?”

Mr. LAIRD SMITH.—Quite so. That statement, I think, was made in the course of evidence given before the Inter-State Commission in Sydney. Prices are soaring because it is found that the people are willing, apparently, to pay whatever is demanded of them.

In giving to this question the consideration that I know he will devote to it, the Minister should be careful not to interfere unduly with the tanning industry. We want to develop our industries as much as possible. In every calling, whether it be that of the manufacturer of leather, boots, or any other commodity, I would pay the very highest wages in return for the best work. When I was working at the bench, it was always my belief that I should do the best possible work, so that I could conscientiously ask for the very best wages. That is the position to-day in the United States of America. Industrially Australia to-day is somewhat where the United States of America was, some twelve years ago, when the Industrial Workers of the World got to work, taught men to go slow, and almost brought about industrial chaos. Who was responsible for the change? Men like Samuel Gompers and those employed in the Ford Motor Factory and the Cash Register Works were among the first to take action. They said to the Industrial Workers of the World, “This sort of thing must stop. If the system which you have introduced is allowed to go on the United States of America will not be able to compete with other parts of the world, and therefore out you must go.” It was not the bosses, but the leaders of industry and the industrialists themselves who put these men out. They

said to them, “You are no good to the bosses, to the workers, or to the United States of America, and the sooner you get out, the better for our country.”

Mr. SPEAKER (Hon. W. Elliot Johnson).—Order! The honorable member's time has expired.

Mr. CHARLTON (Hunter) [12.22].—The Leader of the Opposition (Mr. Tudor) is to be commended for his action in bringing before the House this most important question, which, having regard to the fact that the price of boot leather is steadily soaring, demands the most careful consideration. The honorable member for Denison (Mr. Laird Smith) has made what I should describe as an apologetic speech. He has endeavoured to show that these high prices are due to the scarcity of labour, and the difficulty of securing certain tanning requisites. Does it not appear strange that now that we have more labour available than we have had for four or five years, scarcity of labour should be urged as a reason for the increase in prices? When our men were at the war there might have been a scarcity, but now that we have an abundance of labour, and men looking for employment all over the country, it cannot be said that a shortage of labour is responsible for the steady increase in the price of boots. That argument goes by the board. The honorable member's argument in regard to the increases in wages may be dismissed in the same way.

Mr. TUDOR.—Hear, hear! There has been no increase of wages in the boot-making trade for twelve months.

Mr. CHARLTON.—Yet prices are going up all the time. Are we to admit that as a Parliament we are impotent—that we cannot protect the people from the profiteering that is taking place, especially in relation to commodities over which we have complete control? Whatever may be said as to our power to fix prices, it cannot be denied that this Parliament controls the export of hides. Some time ago the Government actually fixed the price of hides. As soon as the embargo was removed prices jumped up. How is it that before the embargo was lifted the

tanners were able to pay the prices fixed and to observe the wages awards made by the Court, and yet sell at rates far below those now current. It is impossible to justify the position taken up by the honorable member. If the Government have power to continue, as they have done, the operation of the price-fixing regulations relating to certain commodities, there is no reason why they should not continue the application of the system to leather.

The Minister for Trade and Customs (Mr. Greene), in answer to a question yesterday, stated that before a person was permitted to export hides he had to make a declaration that they had been offered to local buyers at current rates. That requirement is of no value. Who makes the current rates? They are fixed by those who are speculating in hides. If a dozen of us, with a capital of, say, £1,000,000, went into the local market to-morrow and proceeded to speculate in hides, we should very quickly fix the current rate. Knowing that we could obtain on the other side of the world a very much higher price than was ruling here, we would be prepared to pay more for them here, and to a certain extent, to "rig" the Australian market.

Mr. GREENE.—Does the honorable member suggest that those who purchase hides for export would "rig" the market here against themselves?

Mr. CHARLTON.—The price of hides on the other side of the world is abnormal. It is two or three times higher than it is here, so that speculators with cabled information from time to time as to the prices ruling abroad can safely come in and buy up to a certain price.

Mr. GREENE.—But surely they would keep the prices here as low as possible in order to make larger profits abroad.

Mr. CHARLTON.—I contend that the requirement that a declaration shall be made that hides proposed to be exported were offered to local buyers at current rates is of no value. The current rate is a fictitious one, created by the exploiters themselves, who in turn require additional prices from those who buy from them. The wearers of boots are not protected by any such requirement, while the market price abroad for hides is

higher than it is here. There is no scarcity of hides in Australia. We are killing as much meat as before the war; yet the price of hides continues to rise. It seems to me that this is another sop for the pastoralists, who are enjoying the benefit of every action taken by the Government in regard to the handling of meat, wool, and other primary products. The pastoralists are getting almost as much for their hides as they secured a few years ago for their bullocks.

Mr. PIGOTT.—In many cases the only return they secure is in respect of the hides, because, owing to the drought, their cattle are dying.

Mr. CHARLTON.—I have every sympathy for those carrying on operations in the drought-stricken area, but the honorable member will not say that the drought has been general. Speaking broadly, Australia has had, during the war period, the best seasons experienced for years, and in this way has been materially assisted in the prosecution of the war. According to a return I have before me, the cost of hides in 1914-16 worked out at about £1 7s. 9d. each, but in 1917-18 it was about £2 8s. 9d. each, so that there was a rise of £1 1s. per hide. Since then the price has considerably increased. Probably as much as £3 per hide is being paid to-day—almost as much as the pastoralists were getting for the beasts a little while ago.

We talk about profiteering and about people becoming immensely wealthy, yet we permit this sort of thing with our eyes open. The Minister may ask what he can do to prevent it, but, in view of the high cost of living, I would take every possible precaution to safeguard the public. The price of commodities of which we have a surplus in Australia ought not to be regulated by what is happening on the other side of the world, where, owing to the ravages of war, they are not able to produce sufficient for their own requirements. Otherwise our people would starve; they would not be able to pay the prices. Ministers talk about discontent, but they are bringing it about by their own inaction. They ought to see that no hides are exported until there is some guarantee that the people of Australia will be able

to buy hides at the price which prevailed prior to the war. I would make "no bones" about it. Pastoralists could run their industry successfully and make a profit at the prices prevailing before the war, and there is no justification for such an increase that the sale of hides alone produces almost sufficient to pay the current expenses of a station, while at the same time the pastoralists are getting more for every pound of beef that is grown. Surely they can afford to let the people of Australia have the hides at the price prevailing before the war. The Minister has power to deal with this matter. He is given no authority under the Constitution to regulate the price of hides, but he has the power to prohibit their exportation. That is a matter which lies entirely in the hands of the Commonwealth. It is hoodwinking the people to say that the Commonwealth Government cannot control the price of hides. They can do it, if they make use of the provisions of the Customs Act. If they decline to do it, it is useless for this Parliament to ask the people to amend the Constitution so as to give further powers to the Commonwealth, seeing that we do not make use of those we already possess. If the exportation of hides is prohibited, the Australian tanners will get their raw material at a cheaper price. As the Leader of the Opposition (Mr. Tudor) has pointed out, provision must also be made to prevent the tanners imposing exorbitant rates. But the position today is that people outside controlling certain commodities practically laugh at Parliament. They do anything they like. They have no consideration for the general public, so long as they get their pound of flesh. And we permit this sort of thing to continue year after year without making any attempt to cope with it.

I am one of those who agree that it is necessary for the Constitution to be amended so that we may regulate many things, but we can do much to cause the fixation of prices by prohibiting exportation. It cannot be argued that the pastoralists will not kill their beasts if the exportation of hides is prohibited. It will not pay them to keep their stock on their holdings beyond a certain time.

Mr. Charlton.

The beasts must be killed. Therefore, if we prevent the exportation of hides until they can be purchased in Australia at a reasonable price, it will not affect the price of meat. The matter is easily regulated. A little backbone on the part of Ministers is required. Instead of the Government pandering to the wealthy, it is time they pandered a little to the poorer section of the community, or had some regard to their interests. We have too much pandering to certain people, with the result that they are gathering in immense wealth at the expense of the balance of the community. We have the power to deal with this matter. Let us rise to the occasion, and assert that these things shall continue no longer. We are told that shortly the price of boots will increase by another 50 per cent. I have seen letters forwarded by manufacturers to different people, in which the only reason advanced for the increase in the price of boots is the big increase in the price of hides. No complaint is made as to the cost of labour, or as to any difficulty having arisen in connexion with the tanning process.

Mr. GREENE (Richmond—Minister for Trade and Customs) [12.38].—I take no exception to the action the Leader of the Opposition (Mr. Tudor) in drawing attention to the condition of affairs in connexion with hides and leather and the attendant industries. It is a matter which deserves the serious consideration of both sides of the House, and cannot be lightly dismissed. At the same time, I feel that, before making statements in the House as to the Minister's power, and as to what can be done, and what cannot be done, and what ought to be done, honorable members should try to arrive at a definite knowledge of the circumstances, and read the Statutes for which they have been responsible.

Mr. WATKINS.—What about sugar and wool?

Mr. GREENE.—The power to deal with sugar, butter, and wool arose from the fact that the Government, under the Defence power, made certain definite contracts which were continuing contracts.

Mr. ARCHIBALD.—But the Government have the power to prevent the exportation of hides.

Mr. GREENE.—I will come to that question directly. I am talking for the moment about controlling hides, leather, and boots, exactly as we are controlling commodities dealt with in the Commercial Activities Bill, our control over which arises from the fact that under the Defence power the Government entered into certain contracts which continued for a period extending beyond the war. The lawyers hold that inasmuch as they were entered into during the war by virtue of the fact that we were at war, we still have power to do all things necessary to continue and fulfil them after the termination of the war. There is a great deal of difference between entering into contracts of that nature, and the control operated in regard to leather and hides during the war.

Mr. WATKINS.—The Government had a boot contract during the war.

Mr. GREENE.—Not of the character that would enable us to go outside the actual manufacturer with whom we were dealing, and whom we could call upon to fulfil his contracts. It would have been different if we had entered into a contract during the war to sell the whole of our surplus leather, hides, and boots to Great Britain. Then we would have had exactly the same power in regard to those commodities that we have had in regard to wool and butter. As we did not do it, and because we did not do it, we have not the same power in regard to these commodities as we have in regard to wool and butter. The question is asked: Why do we not prohibit the export of hides?

Mr. ARCHIBALD.—Hear, hear!

Mr. GREENE.—Again, our statutory powers are limited. During the war, Parliament inserted a provision in the Customs Act which gives the Minister for Trade and Customs the power, during a war, and while a war is actually in operation, to prohibit export of any kind.

Mr. RILEY.—The House can give the Minister the power to do that now.

Mr. GREENE.—But the House has not done so.

Mr. RILEY.—Why have you not asked for it?

Mr. GREENE.—Honorable members are asking the Government to do a certain thing to-day with the law as it stands.

Mr. TUDOR.—The section of the Customs Act prohibiting export in certain cases was enacted before the war.

Mr. GREENE.—Yes; it prohibits export which is "harmful to the Commonwealth."

Mr. TUDOR.—That was done years before the war.

Mr. GREENE.—That is so; but the question immediately arises as to the legal interpretation of what is "harmful to the Commonwealth." From one point of view, it is perfectly easy to argue that an increase in the prices of leather and boots is harmful to the Commonwealth. On the other hand, it is just as easy to argue that it is of immense benefit to the Commonwealth to bring additional money into the country. The financier would argue, with perfect truth, that if we could export nearly all our hides to America at the biggest possible price it would be of immense benefit to Australia.

Mr. FENTON.—And let the Australian children run around barefooted.

Mr. GREENE.—I think that that is a wrong thing, but I am not referring to that aspect of the question at the present moment. I am endeavouring to show that the mere fact that during the war we found it necessary to alter the law, makes it evident that the limited power of prohibition that was previously contained in the Act was not considered ample; and now that the war is over, it is just as easy to claim that it was not sufficient. It can be argued from one point of view that if we are able to export vast quantities of material to-day at high prices, the higher the better from that particular standpoint, it may be of immense benefit to this country.

One statement by the Leader of the Opposition rather surprised me, because it was a complete contradiction of what he had said before. He said, "I have no objection to export so long as the

Australian consumer is supplied at the export price."

Mr. TUDOR.—I did not say that. I have always contended that people have no right to export such quantities as to create an artificial shortage in Australia in order to raise the price to the local consumer.

Mr. GREENE.—That is a different matter. What the honorable member said was that he had no objection to the Australian price rising to the export parity. I have no doubt that under normal conditions he would hold that view, and the only question we have to consider is whether, under the abnormal conditions which exist throughout the world to-day, we should adopt measures which would result in the deliberate depression of prices in this country. We have to consider the wisdom or otherwise of taking that step. It is perfectly clear from what the honorable member said, when I asked him to make a suggestion, that he realizes the fundamental difficulties in the way of dealing with this question except in a very complete fashion.

Mr. TUDOR.—Hear, hear!

Mr. GREENE.—The honorable member sees that the mere prohibition of the export of hides, which was urged by the honorable member for Hunter (Mr. Charlton), would simply have the result of putting money into the pockets of some other party instead of into the pockets of the producer. If the Government control the export and the prices of hides and leather, and not the export and the prices of boots, the money, instead of going into the pockets of the producers and tanners, will reach the pockets of the boot manufacturers. The honorable member for Hunter has not done himself the credit of considering whether his proposal to simply prohibit the export of hides would lead him.

Mr. CHARLTON.—I stated clearly that the Government would require to take measures to protect the consumers against the tanners also.

Mr. GREENE.—The honorable member talked about an embargo on the export of hides, but I heard him say very little about leather.

The question has been raised as to whether there has been to date an undue export of hides. So far from that being the case since the removal of the embargo on the 14th May of this year, the number of hides exported has been nothing like as great as the number exported in the years before the war.

Mr. CHARLTON.—What number of hides has been exported during the last three months?

Mr. GREENE.—During the last three months we exported only 33,128 hides. The number of hides exported during the whole of 1913 was 1,067,025. Honorable members may see from those figures that the export during the last three months has not been proportionately as large as it was in 1913.

Mr. TUDOR.—The killing season for bullocks is past. It is during that season that the big export takes place.

Mr. GREENE.—I should like to have considerably more time to deal with this question, because there is much more I could say upon it; but I remind honorable members that when the Government, realizing that an abnormal condition of affairs would obtain after the war, and believing that we should have still in our hands considerable additional powers, proposed to continue the War Precautions Act, honorable members on both sides of the House—on one side as much as on the other—deliberately forced us to surrender the power that otherwise we should have had. It was the desire of the Government to retain power under the War Precautions Act—the only legal power we could have—to deal with these questions, but honorable members on both sides deliberately refused to give us that power.

Mr. WATKINS (Newcastle) [12.52].—The speech of the Minister for Trade and Customs (Mr. Greene) has somewhat surprised honorable members. In defending the actions of himself and the Government he has endeavoured to prove that the Government are absolutely impotent to deal with the high prices of leather and footwear. All honorable members will agree that, no matter who is to blame, whether he be the seller of hides, the tanner, or the boot

manufacturer, there is no necessity for the prices of boots to be as high as they are to-day. All the arguments by honorable members that neither the producer, the tanner, nor the manufacturer is to blame are beside the question. Here is a notice that was issued to boot retailers on 15th May—

Owing to the Federal Government having removed the restrictions on the prices of hides and leathers, tanners have notified us of a large increase in the prices of upper and sole leathers. We intend giving our clients the benefit of our stock through the rising prices to-day, but will only accept orders subject to the prices ruling on the date of despatch.

The effect of that policy has been that the price of footwear—not ladies' fashionable shoes, for which women are prepared to pay any price, but ordinary footwear—has been increased to the extent of 5s. by the time it leaves the retailer's shop. If the Minister thinks that that state of affairs is justified in a country like Australia, and that only the financiers are to be considered by this Parliament, I tell him that something must be done to prevent the soaring of prices even after the war, or the people will demand the reason from their representatives. During the war prices in this country were not inflated, perhaps, to the same extent as in countries nearer the war zone. We did not expect that they would be; but certain increases did take place, and the public were very tolerant while the war continued. But we found that, whilst our young men were abroad fighting for the Empire, their parents were being robbed by certain traders. These matters must be dealt with by Parliament. Nothing so much demands inquiry as to the guilty party as does the abnormal price of footwear to-day, unless it be the prices of certain dress materials. We hear of grumbling and discontent in the community, and of people asking for increased wages in this and that trade. But let any honorable member ask himself, having regard to his own experience, how it is possible for a man earning even £5 a week to feed, clothe, and shoe a family of five. What is the reason for the extremism in this country to-day? The man of moderate ideas has found that,

even with steady work, he cannot pay his way. He knows that he is being robbed, and he is angry; and the Government will find out. Naturally, as his difficulties increase, he becomes reckless and extreme in his politics.

Mr. FENTON.—As the Prime Minister (Mr. Hughes) has said, "profiteering breeds Bolshevism."

Mr. WATKINS.—The Minister for Trade and Customs told us that we are powerless to interfere with trade and commerce. On the other hand, we have read the Prime Minister's statement that he will fight the profiteers to the bitter end. How will he fight them? Probably in the same way as the Minister has fought them this morning—by excusing the people who are operating in connexion with leather and hides. Throughout Australia there are agents engaged in buying up hides. All hides must be offered to local buyers at current rates before they are exported; but that condition is very easily met, because we know how prices are fixed. Those agents are buying, not only for America, but also for our former enemies. Even if the Minister has no power under the War Precautions Act to deal with this matter, nothing can prevent this Parliament from putting export duties on hides and other commodities until the local market is supplied. I hope the Minister will take the view that the prices of boots to-day are too high, having regard to the fact that we are exporting hides. Children are not only hungry, but in many parts they are bootless too. That is a serious state of affairs in the colder climates of Australia. If the Government will not take some steps to regulate this matter, they cannot expect to bring about industrial peace and contentment.

*Debate interrupted under standing order 119.*

*Sitting suspended from 1 to 2.15 p.m.*

#### AUSTRALIAN NAVY: SALARIES.

Mr. WEST (for Mr. BLAKELEY) asked the Acting Minister for the Navy, *upon notice*—

Whether he will supply a return showing the salaries paid to the following positions in the

Australian Navy in the years 1913 and 1919 respectively: — Paymasters, Chief Writer, Writer, Captain, First Lieutenant, Second Lieutenant?

Mr. POYNTON.—Yes.

### COCKATOO DOCK.

#### USE OF "GYPSBOARD."

Mr. BAYLEY asked the Acting Minister for the Navy, *upon notice*—

Whether he will explain why a foreign-made article, viz., "Gypsboard" monolithic plaster sheets, were selected by his Department for the various interiors and partitions in the new drawing offices at Cockatoo Island Dockyard when there are on the market Australian-made goods, such as three-ply, which have proved their suitability for such purposes?

Mr. POYNTON.—The article referred to is of Australian manufacture, being made in Sydney.

#### OLD-AGE PENSIONS.

Mr. FENTON (for Mr. McGRAH) asked the Treasurer, *upon notice*—

Will he take into consideration the advisability of restoring the old-age pension to persons who were receiving the same and were not naturalized when war was declared?

Mr. GROOM (for Mr. WATT).—It is not intended at present to do so.

#### ANZAC TWEED INDUSTRY.

Mr. FENTON (for Dr. MALONEY) asked the Acting Prime Minister, *upon notice*—

If a number of citizens of Melbourne are willing to subscribe an amount that will give the returned soldiers a fighting show to make good at the Anzac hand-weaving, such citizens to be content with a low rate of interest to be paid only during the time the industry shows a profit, will the Minister, on behalf of the Government, promise that a sufficient supply of good yarn will be forthcoming from the Government mills?

Mr. GROOM (for Mr. WATT).—The honorable member will realize that it is not possible for his proposal to be considered in its present indefinite form. If he will place full particulars regarding the same before me I can assure him that it will receive early and full consideration.

#### REPATRIATION.

##### LAND SETTLEMENT.

Mr. JOHN THOMSON (for Mr. FOWLER) asked the Minister representing the Minister for Repatriation, *upon notice*—

1. What is the approximate amount spent to date in each State in connexion with the settlement of returned men on the land?

2. What is the number of men settled in each State?

Mr. POYNTON.—The settlement of returned soldiers on the land is carried on by the several States under an agreement with the Commonwealth, which has undertaken to advance to the States the funds necessary to make lands available, and for the construction of public works, such as railways, &c., for their successful occupation. The information requested by the honorable member is, therefore, obtainable only by reference to each State Government, and action in this regard is now being taken.

#### POSTAL AND TELEPHONE SERVICES.

##### SOLDIER SETTLEMENTS.

Mr. JOHN THOMSON (for Mr. SAMPSON) asked the Postmaster-General, *upon notice*—

Whether, in the institution of new postal services in sparsely settled or "out back" districts, special conditions in addition to the present allowance of 50 per cent. for mail services and 60 per cent. telephone services will be applied to soldier settlements to insure that in no instance shall these pioneers in primary industry who have served at the Front be denied reasonable postal and telephone service?

Mr. WEBSTER.—Each such case will be dealt with according to its special circumstances, keeping in mind the policy of the Government to give returned soldiers the most favorable consideration possible.

#### COAL SUPPLIES.

##### TOCUMWAL ROUTE.

Mr. CHANTER asked the Minister for Home and Territories, *upon notice*—

1. As a third rail has been laid down in the Tocumwal Railway yards, and a demonstration of the Brennan process for the interchange of

railway trucks given there has proved its effectiveness, cannot that now be utilized to expedite the delivery of coal to Victoria and South Australia?

2. Is it a fact that by utilizing Tocumwal as a changing station the haulage distance to Adelaide would be shortened by about 100 miles?

3. Will the Minister further confer with the State Governments concerned with a view to united action being taken to procure an adequate supply of coal?

**Mr. GLYNN.**—The matters referred to by the honorable member do not directly come within the province of the Department of Home and Territories, and are primarily of State concern and power. I shall, however, inquire into the matter, and give the honorable member any information acquired.

## AUSTRALIAN IMPERIAL FORCE.

### NUMBERS IN ENGLAND.

**Mr. WISE.**—On the 6th August the honorable member for South Sydney (Mr. Riley) asked the following question:—

In view of the conflicting statements appearing in the press about the number of members of the Australian Imperial Force who have left or who are leaving the Old Country, one paragraph stating that the last man had left, and another that there are 26,000 men still to come, will the Assistant Minister for Defence make a definite statement informing the House of the true position of affairs?

I am now able to furnish the honorable member with the following information:—

An official statement was issued to the press on 4th instant by the Acting Minister for Defence, indicating that the approximate number of troops left in the United Kingdom, Egypt, and Mesopotamia on 2nd August was 30,000.

On that date 34,484 Australian Imperial Force troops were on the sea *en route* for Australia.

## PAPER.

The following paper was presented:—

South America.—Correspondence respecting the British mission to, 1918. (Paper presented to the British Parliament.)

## CUSTOMS BILL.

### SECOND READING.

**Mr. GREENE** (Richmond—Minister for Trade and Customs) [2.20].—I move—

That this Bill be now read a second time.

This is a measure which can be dealt with better in Committee. It has been found in the administration of the Customs Act that certain amendments are necessary to bring the various sections into conformity with the spirit and intention of the Act, and also with the established practice of the Department. The Bill is principally one of machinery, designed to remove certain difficulties in the working of the Act, and to make it plainer to those dealing with the importation and entry of goods through the Customs. Its purpose, also, is to prevent the loss of revenue through fraud. Certain provisions are designed to accomplish that purpose by closing up some of the opportunities which now exist for fraud. Nearly all of its provisions have been drafted for us by the Crown Solicitor's Department to get over difficulties which they have discovered in administering the affairs of the Department as they have come through the Crown Solicitor's office. We are introducing no actually new principles. All we are attempting to do is to close up some of the avenues for fraud, and to make plainer to the commercial community what their duties are under the Customs Act.

**Mr. FENTON.**—Has any commercial immorality been discovered?

**Mr. GREENE.**—Unfortunately, there are dishonest individuals in every community, and I suppose Australia is no exception to the rule. Where it is possible to make money some people are not as careful of their actions as they are in other regards.

**Mr. TUDOR.**—While most people would not rob each other, they think it is a great thing to rob the Government.

**Mr. GREENE.**—Some people probably regard it as a virtue to do so.

Clause 2, defining the powers and functions of the principal officer of Customs in the Northern Territory, has been found necessary owing to the distance of the Territory from the office under which it is controlled. We propose to give to the principal officer of Customs there the same powers, in regard to any matters which we specify, as a Collector of Customs would have. We do not propose to give

him all the powers possessed by Collectors of Customs in the larger States. The matters with regard to which we desire to give him the powers of a Collector will be notified from time to time in the *Government Gazette*.

Clause 3 repeals section 64 of the principal Act, and substitutes for it another section which is designed to throw upon the owner of a vessel coming into port the same duties and obligations as are now thrown upon the master. This is really a matter of convenience. It is often very difficult for the master of a ship, after it arrives in port, to attend and render to the Customs Department all the particulars required under the Act.

Mr. TUDOR.—Does the alteration carry you any further? Often the owners are companies. Do you allow the companies' agents to act?

Mr. GREENE.—Under section 4 of the principal Act the definition of "owner" includes "agent." Consequently, by throwing the obligation on the owner we can call upon the agent or the master, as the case may be, to render the particulars that we require. It frequently happens that the master of a ship is exceedingly busy after it comes into port, and experiences considerable difficulty in complying with the provisions of section 64 of the Act as it now stands.

Clause 4 brings the Act into line with the Excise Act that we passed last session. Instead of laying down in the Act the licence fees required for bonded warehouses, and fees for lockers attendance, this clause will permit us to fix them by proclamation from time to time, and alter them from time to time if it is advisable to do so. Sometimes, to meet the convenience of the commercial community, and permit of lockers attendance, and so on, it is desirable to be able to collect other fees. This alteration will meet that case. The present procedure under section 80 of the principal Act, which this clause amends, gives rise to considerable trouble at times, owing to the dates of payment of licence fees being specifically mentioned. If, through an oversight, the fees are not paid on the actual due date we have to cancel the licence and securities, and issue fresh

ones. I feel confident that this alteration will be appreciated by the commercial community.

Clause 6 is intended to bring the principal Act into line with the established and accepted practice by allowing the departmental registers of goods warehoused to be amended. Section 83 of the principal Act, which deals with this matter, lays down the basis on which duty shall be collected on goods warehoused. It has been found in practice that mistakes are made in the entries. These may be genuine errors, and the practice of the Department when a mistake is discovered is to alter the register and then collect the duty on the right amount. It is questionable whether we have the legal power to do this.

Mr. TUDOR.—Or, if a firm overpays, you refund the difference.

Mr. GREENE.—That has been known to happen; but it is questionable whether the Minister has really the legal authority to do so.

Mr. GREGORY.—How long have you been doing it?

Mr. TUDOR.—Probably, for eighteen years.

Mr. GREENE.—It must be quite a long time. It is proposed now that, when a mistake is discovered, the Collector shall have power to put it right, and collect the duty on the right amount, whether there has been an under or over payment.

Mr. PAGE.—I draw attention to the state of the House. I desire the presence of the Assistant Minister for Defence (Mr. Wise) to hear this speech. [Quorum formed.]

Mr. GREENE.—Clause 7, again, does no more than bring the Act into line with the present practice of the Department. It gives power to take charge of goods not dealt with in accordance with the warehousing entry. That is to say, if goods are entered to go into bond, and they are not put in bond, and the Collector has reason to believe that by the entry not being complied with, the revenue may be defrauded, he will have the power to do as we do to-day—though it is questionable whether we have legal authority—take the goods and put them

in bond either in a private warehouse or the King's warehouse, and then hold a lien on the goods until the warehousing charges are paid.

Clause 8 has been found necessary as a result of our experience during the war. At the outbreak of the war there was no power to compel a full description of the arms, ammunition, and so forth being exported from the country, and this clause is simply to give power to the Minister to insist on a description.

Clause 9, like clause 3, makes the owner, as well as the master, responsible for rendering to the Customs the particulars required before clearance is given. The clause goes in one regard, perhaps, a little further than clause 3, and this is necessary because, while a master or owner of a vessel may have complied with all the provisions of the Act, he may not have complied with the proper conditions of other authorities. For instance, an owner or master may not have complied with the conditions and requirements of the Harbor Trust or the provisions of the Navigation Act, and this clause will enable us, notwithstanding the fact that the conditions of the Customs Act have been complied with, to still refuse clearance, and not be liable to any action for refusing. Sub-clause 2 of the clause is as follows:—

"If, within a period of twenty-four hours after the provisions of sub-section (1) of this section have been complied with, the master has not received from the Collector an Outward Manifest and Certificate of Clearance, he may, at any time within fourteen days after the expiration of that period, apply to the Minister for a Certificate of Clearance, and the decision of the Minister upon the application shall be final and conclusive."

Sub-clause 3 simply states that no action shall lie against the Government for such refusal of clearance.

Clause 10 validates the practice of the Department in charging duty on goods imported for trading purposes in connexion with Commonwealth hotels in the Northern Territory, and on goods intended for consumption in Australian waters on trading vessels owned or managed by the Commonwealth. It is considered that these hotels are purely a business concern, and should conform to the requirements of the Customs Act and

Tariff as if they were privately owned. The principle is also applied to the Commonwealth fleet of steamers which are used for trading purposes in competition with other vessels in Australian waters. It is considered inequitable to grant exemptions in the case of the Commonwealth vessels from the ordinary duties which are charged to the rest of the community.

Clause 11, together with clauses 12 and 13, is, perhaps, the most important in the Bill. It lays down, in we hope clear and unmistakable terms, the present practice of the Department in regard to what is known as "home-consumption value." It gives the basis of value for duty purposes in a way that is expected to clear up a good deal of the difficulty the Department has experienced in the administration of the Act.

Mr. GREGORY.—Will it enable the Department to collect increased revenue?

Mr. GREENE.—It will not enable us to collect any more revenue than at present.

Mr. GREGORY.—You are legalizing the practice.

Mr. GREENE.—I would not say that. I think the provisions of the existing Act are just as effective for the purposes of revenue as these clauses will be; but there has been a good deal of friction from time to time with the commercial community as to the interpretation of the Act. Recently we had a case, which was carried to the High Court, and which, while it did not touch all the principles in regard to home-consumption value, did touch the main one. The High Court decided in favour of the Department and in favour of the practice which has been adopted by it for a number of years.

Mr. GREGORY.—I was wondering whether a message from the Governor-General was not necessary, seeing that this really means increased taxation.

Mr. GREENE.—It is not taxation in that sense; it lays down the basis on which our duties should be collected. It is very necessary in the administration of the Department that we should state in very clear and definite terms what is the basis of value. It is well known that some countries, at all events, export

their goods, if it suits them, at "dumping" rates, and in this way are able, to a large extent, to break down the effectiveness of a protective or revenue Tariff, as the case may be. What we have always done, and what, I believe, the original Act entitles us to do, is to insist that the value for duty purposes shall be the fair market value of the goods in the land from which they came at the time of shipment.

Sir ROBERT BESR.—That is to say, for a similar quantity of goods?

Mr. GREENE.—Yes. There is only one alteration made to which, possibly, some honorable member may take exception. Sub-clause 2 of clause 11 reads—

"Fair market value' in this section means the sum of the following—

(a) the price for which any cash purchaser could at the time of shipment purchase for home consumption such goods in the principal markets of the country whence the goods were exported, but not being in any case less than the actual money price shown in the genuine invoice, and "

The alteration to which I refer will be found in the words, "but not being in any case less than the actual money price shown in the genuine invoice." The reason for the alteration is that we have experienced great difficulty with some countries in ascertaining what the home-consumption value of goods is. There are some countries manufacturing and exporting goods which those countries do not themselves use, so that there is no home-consumption value. For instance, Japan, China, and, to some extent, India, manufacture and export goods which are not consumed in those countries, and there is nothing by which the value can be checked. Consequently, we are asking the House to agree that while we lay down what shall be the value for duty purposes, that value in no case shall be less than the genuine invoice value.

Mr. FENTON.—Suppose Japan invoices goods at a very low value compared with the value of similar goods in other countries?

Mr. GREENE.—We cannot in a Customs Bill arrange the rates of duty;

all we can do is to lay down the basis of value on which the duty shall be charged.

Mr. FENTON.—Is that the value on a white population basis?

Mr. GREENE.—If the honorable member reads what I have just quoted from the clause he will see what is meant. That provision is introduced because we may not be able to secure any basis of comparison between the genuine invoice value and the price at which a purchaser for cash could obtain these goods for home consumption in the country of manufacture.

Mr. FENTON.—Where that basis was not available, how would the value be fixed?

Mr. GREENE.—That is what I have been endeavouring to explain. If, in the country from which the goods are exported, there is no basis of comparison between the genuine invoice value and the price at which those goods could be purchased by some one desiring to use them in that country, then, we say that the genuine invoice value at least should be taken. We do not say that something may not be added to the invoice value. If we had reason to believe that the value stated in an invoice was lower than the actual price paid by the importer, an adjustment would be made; something might be added to the invoice, and the duty collected on the increased amount. We provide here that, in any case, the fair market value shall not be less than the sum stated in the genuine invoice.

Mr. FENTON.—This relates to a means by which goods are smuggled in from some countries at very low rates.

Mr. GREENE.—I have been endeavouring to show that clauses 11, 12, and 13 are devised to prevent that sort of thing. They are intended to insure the payment of duty upon the fair market value of the goods. Clause 11 will be a protection against understatements of domestic values where the goods are not sold for use or consumption in the countries of export. It is also intended as protection against underpayment of duties in the case of goods bought in large quantities, or under specially advantageous terms, by export commission houses, and giving their Australian customers the benefit of such terms, which would not represent the

basis upon which the Australian customers, if buying their individual quantities for use or consumption in the country of export, could purchase similar goods. It will, we hope, largely avoid the very extensive inquiries that we have to keep going in many countries at the present time to ascertain what are the true domestic values of goods. We believe that it will help the Department of Trade and Customs very materially in obtaining from the importers the true market value of their goods upon which duty should be paid.

Mr. HIGGS.—Has the Minister, amongst his papers, a sample schedule or "prescribed form"?

Mr. GREENE.—I have not.

Mr. HIGGS.—We might be able to assist the honorable gentleman in setting out the detailed particulars to be supplied.

Sir ROBERT BEST.—The power for which the clauses now being dealt with by the Minister provide seems to be substantially the power now exercised under the principal Act, except that it is stated in clearer terms.

Mr. GREENE.—Exactly. This Bill will do no more than put in clear and, we hope, unmistakable language what is the actual practice of the Department in regard to these matters at the present moment.

Mr. HIGGS.—Will the Minister insist upon information as to the cost of manufacture in the country of origin?

Mr. GREENE.—That would not help us in determining the value for duty. The Bill merely lays down the means of determining the value for duty. The provisions of clauses 11, 12, and 13 are designed to reduce, as far as possible, the number of investigations in the country of export, to prevent the consequent delay in the adjustment of any duty that might have been short-paid, and to show in clear, unmistakable language what the practice of the Department at the present time is. These clauses should overcome a lot of difficulty on the part of both importers and the Department in arriving at the value on which duty is payable. While limiting the number of claims against importers for short payment of duty, it will also prevent a large loss of

revenue and assist in the protection of Australian industries.

Clause 14 merely repeals the provision in section 169 of the principal Act as to the continuance of inter-State duties by the State of Western Australia.

Clauses 15 and 16 amend sections 187 and 189 of the principal Act by including a boat rowed with oars within the definition of a "vessel."

Mr. TUDOR.—Although such boats have not hitherto come within that definition, they have always been searched.

Mr. GREENE.—Quite so, but we are now setting out in this Bill the practice of the Department, and so making quite sure that we have power to search boats as well as other vessels.

Mr. TUDOR.—Once any material is landed from a boat, the Department has the power to deal with it.

Sir ROBERT BEST.—But that is not the point.

Mr. GREENE.—That is not the point. Officers of the Department might have very good reason to believe that certain goods were on a rowing boat, and when that boat was brought alongside the wharf they could seize the men and the goods. But there have been cases, I understand, where men engaged in endeavouring to smuggle in goods on a rowing boat have learned that a Customs officer awaited their arrival and have simply pulled out into the harbour and have dropped overboard the opium or other goods that they were attempting to smuggle in. If the officers on a Customs launch are given this power to search a suspected boat, the probability is that there will be less smuggling than now goes on. We are making sure that in future we shall have the power to search boats as well as other vessels.

Clauses 17, 18 and 19 are essential requirements for the protection of the Department against fraud, and are the direct outcome of a case in which a writ was issued against a Collector of Customs for trespass, because of action taken as now provided by those clauses. These provisions will operate to prevent importers refusing delivery of documents, and will allow persons suspected, as the result of information given on oath to a Collector, of having

documents concealed on their person, to be searched in order to obtain proof of intent to defraud the revenue. Needless to say, no one has anything to fear from these provisions except the man who wants to defraud the revenue. A Collector of Customs will not be able to act under these clauses unless he has information on oath leading him to suspect that some one is endeavouring to defraud the revenue. In such circumstances, we propose to give him powers which, although fairly drastic, are necessary, we believe, to prevent fraud. Under the existing law, if a Collector, having reason to suspect that a man is defrauding the revenue, calls on him and asks for the production of documents, the person suspected may decline to hand them over until he has consulted his solicitor. When the Collector, or his officer, calls again, he is allowed to search the place, because the desired documents have been disposed of in the meantime. Under this Bill, however, when a warrant has been issued as the result of sworn information coming into the possession of a Collector of Customs, the premises of the man suspected may be immediately searched.

Mr. TUDOR.—Does the honorable gentleman say that the Department has not that power at the present time? The honorable member for Kooyong (Sir Robert Best), I am sure, will recall many cases where such searches have been made.

Sir ROBERT BEST.—Many, and one case involving £4,000.

Mr. GREENE.—Undoubtedly such a power has been exercised; but, as I have already said, a Collector of Customs was sued for trespass and I think we lost the case. We are consequently asking that the practice of the Department in this regard—a practice with which my honorable friend is quite conversant—shall be set out in the law itself.

Mr. TUDOR.—On one occasion when I was in office we made a simultaneous raid on three different places, and one house rang up another only to find that our officers were already there.

Mr. GREENE.—I am sure my honorable friend will not object to our embodying in the Bill itself the practice of the Department.

Clause 20 of the Bill has been drafted by the Crown Law authorities to meet a

difficulty which has arisen owing to a judgment of the High Court. In that case a limited liability company was charged with intent to defraud the revenue, but the Court held that, under section 241 of the present Act, the defendant company could not be convicted of an attempt to defraud. It is very undesirable that this position should continue, and clause 20 has been drafted accordingly to remedy the defect. In order to prevent the risk of similar decisions being given by other Courts, it is made retrospective.

Mr. MCWILLIAMS.—How far does it go back?

Mr. TUDOR.—Right back to 1901.

Mr. GREENE.—It may not be necessary to make the Bill retrospective to that extent, but at the same time there are other Statutes which will probably limit its operation.

Sir ROBERT BEST.—Not where fraud is involved.

Mr. GREENE.—The honorable member will know better than I do, but it is certainly an anomaly that, at the present time, while a person who is importing can be found guilty of fraud, a company doing exactly the same thing cannot. It is certainly desirable that a company should be liable exactly in the same way as an individual.

Mr. TUDOR.—But that is not the point. The point is that it is proposed to go back for twenty years.

Mr. GREENE.—If it be possible to take action against a person in the past, I do not see why there should be any objection to making a company liable to the same extent.

Mr. FENTON.—It means that if it is discovered to-day that fraud was committed years ago the person committing the fraud can be prosecuted now.

Sir ROBERT BEST.—It is not a question of the civil remedy. It is a question of making a man liable now for a crime for which he has not been liable up to the present moment.

Mr. GREENE.—I cannot see that there is any material objection to putting a company which is guilty of fraud in exactly the same position as an individual who has been guilty of fraud, and to that extent we are perfectly safe in making this Bill retrospective in its character.

Clause 21 provides one of the most important amendments. In a Customs case the High Court ruled, on appeal from a decision of the magistrate, that, in any case in which section 255 was used, reliance must be placed entirely on the averment, consequently precluding the calling of evidence on matters in regard to which proof was possible. It also pointed out other defects in the section, and the amendment seeks to remedy these. I do not profess to know as much about this matter as a lawyer would, but as I understand the position, it is this: The Customs Department is called upon to make an averment of fact in certain cases. Apparently the High Court has ruled that the Department must rely upon that averment for the proof of a case, and is not permitted to call evidence in support of it. The provision in the Bill has been drafted by the Crown Law authorities to get over the difficulty, and enable the Department to call evidence in support of an averment.

Clause 22 amends section 270 of the principal Act. It has been found most necessary in order to overcome difficulties experienced in regard to goods subject to the control of the Customs while in the possession of carrying companies. This has been recommended and drafted by the Crown Law officers.

Clause 23 repeals section 271 of the principal Act, which is not now necessary owing to being covered by regulation. The remaining clauses are more or less purely machinery, and it is not necessary for me to refer to them particularly. I have endeavoured in this short explanation of the various parts of the Bill to make the object of the measure clear to honorable members. All we are seeking to do is to close up gaps as far as we possibly can in the principal Act, and bring the actual administration measure of the Department into line with the general practice of the Department.

**Mr. TUDOR** (Yarra) [3.8].—I understood from the Acting Attorney-General (Mr. Groom) that it was desired to get this Bill out of the way to-day. He said that it was only a little measure, but after hearing the explanation of the Minister for Trade and Customs (Mr. Greene), I find that there are one or two clauses which are really vital to the

whole Customs system of Australia. The clause dealing with the fair market value of goods is really the backbone of the collection of duties. The honorable members for Kooyong (Sir Robert Best) and Eden-Monaro (Mr. Chapman) have had sufficient experience in the Customs Department to know that it is the one thing upon which most of the criticism from outside persons has been based.

**Mr. LAIRD SMITH**.—How does the Department get at the value of goods now?

**Sir ROBERT BEST**.—By the method outlined in the clause.

**Mr. TUDOR**.—The clause puts into plain English what has been the practice of the Department.

**Mr. LAIRD SMITH**.—Is it not a fact that if more duty can be obtained by accepting the local value than by accepting the foreign value, the practice of the Department is to take the higher, whatever it is?

**Mr. TUDOR**.—The value of an article is always accepted as the invoice value at the time of shipment. That is to say, the fair market value of the goods at the time of shipment is arrived at by adding all the f.o.b. charges, not including insurance, freight, and exchange. The Minister explains that clauses 11, 12, and 13 will obviate a great deal of investigation which is now carried out in countries of export. The Customs Department was being systematically robbed by persons who were importing goods. I was in Court when the notorious motor car case was being tried, and after the defendant had pleaded guilty to every other charge, the prosecuting barrister said, "Now we come to case X." He explained that, in this case, there were three invoices—the one produced for Customs purposes, the genuine invoice, and the one produced to sell the goods. I understand the values varied in each case. In one case the value was £600, in the second case it was £800, and in the third case it was £1,000. The article in question being a motor car, the whole of it was not dutiable. The importer loaded the value of the chassis, which was not dutiable, and unloaded the value of the tyres and body, which were dutiable. The total value of the car was not disturbed, but the value of the dutiable portion of it was fixed at a low figure corresponding with the increased value put upon the portion which

was not dutiable. Anything that the Department does to give the honest dealer a fair chance—

Dr. MALONEY.—The other fellow ought to be gaoled.

Mr. TUDOR.—I will support the honorable member every time he moves in that direction. When I was Minister, I sent one man to gaol.

Mr. FENTON.—Is it not the practice of the Department to make investigations abroad?

Mr. TUDOR.—Yes; men were sent abroad to make investigations into home value of goods exported to Australia.

Mr. GREENE.—We have four men abroad to-day engaged in that task. One is resident in America, and the others are in Great Britain.

Mr. FENTON.—Men ought to be sent to the East.

Mr. TUDOR.—The importations from the East have increased considerably in recent years, but, in the past, the need for the strictest investigation was in European countries, in the United States of America, and in Canada. Fullest investigations were made in those countries, and if this provision in the Bill will avoid portion of the expenditure incurred in making those investigations, so much the better. I believe that the system will need to be continued.

Mr. GREENE.—It will to some extent.

Mr. TUDOR.—It will need to be continued for the purpose of verifying the invoice price of goods imported to Australia. The Minister (Mr. Greene) has pointed out that, in some countries, the article which was exported to Australia is not used for home consumption, so that there is no home-consumption value.

Mr. GREENE.—That is true even in regard to Great Britain.

Mr. TUDOR.—I understand that some countries which manufacture harvesters, and export them to Australia, do not use them locally, but employ reapers and binders. In such a case, there can be no home-consumption value.

Mr. GREENE.—There are many things made in Birmingham which are not sold anywhere in England.

Mr. TUDOR.—Yes, I understand that curios and curios of different countries are made in Birmingham. Another system very familiar to the officers of the

Department is the house-to-house transaction. A firm making goods for Australia, which has also a house in Australia, instead of putting its profit on the value of the goods before exporting them, added it after the goods had been landed in Australia. But, to use an Americanism, the Department "is wise" to that procedure.

Section 154, dealing with fair market value, is apparently being rephrased in the Bill. There have been a great many law cases regarding the determination of the fair market value of imported goods, and recently Mathew Goode and Company, of Adelaide, objected, as a matter of principle, to the departmental decision upon that question. The amount of duty involved was small, but no doubt the decision of the Court meant hundreds of thousands of pounds to the Department. I know that when in connexion with the 1907-8 Tariff a question was raised regarding the payment of duty on packages or containers, a tremendous amount of revenue in the aggregate was involved. In the Adelaide case, the High Court ruled in favour of the Department upon the question of fair market value, but apparently this Bill is designed to give specific legal effect to the practice that has been in operation, and to give protection to the Department in other respects. That is perfectly right.

Clause 19 confers power on the Department to enter houses and premises, and to seize documents. The Department has been doing that all along. Of course, no person likes to fight the Government, who are sure to win in the end, because they have the power of the whole people behind them. Raids and searches have taken place in every city in Australia, and would take place even without the power which clause 19 will confer. If this provision is necessary to further safeguard the Department, I shall support it. I remember that on one occasion, while I was Minister for Trade and Customs, acting on certain information that reached the Department, we raided three different places simultaneously. At one of those places the manager said to the officers, "Excuse me a moment"; and he left the room. When he returned, he

said, "I telephoned So-and-so, and found that your officers were there, too." Probably the three firms were concerned in collusion in connexion with the swindle that was being perpetrated. The Department should have, if it has not, power to raid and search. It also should have power to search boats, as well as ships.

If this Bill is merely giving effect to an existing practice, it is a step in the right direction. We should not, however, make clause 20 retrospective to 1901. I do not stand up as the advocate of any firm that has committed fraud; but we might proceed to-day against a corporate party for an offence in 1901 or 1902, and the whole of the persons who then constituted that body might have disappeared.

Clause 21 provides that the averment of the prosecutor or plaintiff shall be *prima facie* evidence of the matter or matters averred. And it may be difficult for a firm, after a lapse of eighteen or nineteen years since the commission of the alleged offence, to bring any rebutting evidence. Of course, I agree with the honorable member for Melbourne (Dr. Maloney) that we should follow a wrong-doer until he is brought to book, no matter how great a time has elapsed since the offence; but I do not think there will be very many cases under this clause.

Mr. YATES.—Does not the honorable member think he is fighting a shadow?

Mr. TUDOR.—No. There have been several amendments of the Customs Act since 1901, and I think it would be better to make the clause retrospective to a more recent date. If it is held that we can make this measure retrospective to 1901, it may be held that we can do the same with every other Act, and that might inflict hardship upon innocent persons, who might not have the opportunity after such a lapse of time to produce evidence in answer to the charge made against them. To the Bill as a whole I have no objection.

Sir ROBERT BEST (Kooyong) [3.21].—The Minister for Trade and Customs (Mr. Greene) is to be congratulated upon having introduced this Bill. A care-

ful examination of the Act will show that, although the Bill may propose a technical alteration, no substantial change in the existing law is being attempted. What the Minister is very properly trying to do is to give merchants and the public generally full and complete knowledge, by a perspicuous statement, of what the law and the practice of the Department are. I do not think any clause of the Bill confers powers which have not been substantially exercised by every Minister for Trade and Customs. If any Minister is convinced that a fraud on the Department is being attempted, he is justified, in the discharge of his duty, in resorting to despotic powers, even though he be technically exceeding his statutory authority, in order that justice may be done to the community.

In proposing to repeal the section dealing with fair market value, and to substitute a more elaborate provision, the Minister is doing justice to the Department and the public. The question of fair market value is of the very essence of Customs law. No question is more consistently before officers, and they have the greatest responsibility to exercise in connexion with it. The difficulties associated with the discharge of their duty are very great. Of course, there is not the same trouble in getting the fair market value from some of the chief ports of export as there is in respect of others, because a number of merchants are exporting from those ports, and the fair market value may be established by a study of the various invoices and catalogues. By this process, and a consistent effort to collate all available information, the Department has a remarkably good idea of what the real market value of such imports is. But the dislocation caused by the war has gravely accentuated the difficulties, because some of the most important troubles which have arisen, involving serious hardship, have been in respect of contracts over a term of years entered into by Australian merchants importing goods from America, the United Kingdom, or elsewhere. They contracted to buy at particular prices. Subsequent to the outbreak of war the goods increased

in value by 10, 20, 50, or even 500 per cent. Controversy then followed as to whether the value for the purpose of duty was that which obtained at the time when the contract was made, or that ruling at the time of export. The Department, endeavouring in a general way to do what it thought just, resorted to what was, on the face of it, a very arbitrary method: it loaded invoices by 10 per cent. and upwards. The arbitrary power of the Department to load invoices in this way was challenged in the Law Courts, and although the Supreme Court of South Australia held that such a power did not reside with the Minister, the High Court, on appeal, held that the wording of the Act was so wide as to permit of even the action complained of. That decision shows that the law embodied in the Bill already exists; but, in justice to merchants and the public, it is being made perspicuous and elaborate, so that he who runs may read.

There is another provision upon which I must not say too much, namely, that the mere averment of the Department must be accepted as *prima facie* evidence of the facts. I remember proposing a similar provision in the Anti-Trust Bill, which I introduced about 1907, and, as a result, I was favoured with a rich vocabulary of abuse for doing so. However, after a hard fight in another place, I managed to secure its insertion. This proposal may appear harsh to honorable members; but, whilst it may be a little more stringent than the similar provisions in former Customs Acts and in many of the Customs Acts throughout the world, it is essential for the protection of the revenue that that power should be given to the Department. We must rely upon the Department to act fairly and justly to the honest trader. In order to protect the revenue, it is essential that the technical power must reside in the Department. The Minister will not be justified in an unreasonable exercise of that power; but the whole object of the Customs Department, I hope, is to support and encourage the honest trader, and, at the same time, to penalize in the severest form the dishonest trader, who is defrauding not only the revenue, but also his competitors in trade. Having regard to past history, I am not disposed

to complain of the rigid provision which is re-enacted by this Bill, in order to overcome a defect in the Act revealed by a recent law case. I have not the whole of the facts of that case in my mind, but it did tie the Department down to its averment, and certainly prevented any rebuttal of evidence which was inconsistent with the terms of that averment.

In clause 20, dealing with the prosecution of companies, the Bill goes, I think, a little too far. We all agree that it is desirable that a company should be liable to the same amount of penalties and punishment as an individual. The clause is framed in a very comprehensive way, providing that—

A body corporate shall be deemed to be guilty of an intent to defraud the revenue if a servant or agent of the body corporate, That is very wide—

acting or purporting to act for or on behalf of the body corporate, commits or attempts to commit an offence against this Act for the benefit of the body corporate with an intent to defraud the revenue.

We can agree to the principle of that provision, which is essential, although many hardships may occur. No matter how innocent a company or its management may be, a dishonest servant can get it into a great deal of trouble by the exercise of fraud on his part, although it must be shown that the fraud was committed for the benefit of the company. That is a matter which would have to be considered in individual cases. The unfairness of the clause lies in sub-clause 2, which provides—

This section shall be deemed to have commenced on the day upon which the Customs Act 1901 was proclaimed to commence.

That is retrospective legislation, to which I object on principle. We have protested in this House against it before. There may be some force in the suggestion that fraud committed by a company within recent years should render it liable to punishment, and I am prepared to concede a good deal in that direction, but to attempt to make this Bill operate over eighteen or nineteen years which have already passed is manifestly unfair. The company may have been absolutely innocent, and the man who was guilty of the

Sir Robert Best.

misconduct may be dead or not available. It is therefore not within the power of the company to obtain any explanation, and it may not be able to secure necessary rebutting evidence by way of defence. It would be extraordinary if evidence of the kind was available after a lapse of eighteen years.

Mr. GREENE.—Would not exactly the same argument apply to persons?

Sir ROBERT BEST.—Not to the same extent, and it would be unfair to persons, too.

Mr. GREENE.—As the Act stands at present it applies to persons. Is the Department likely to treat a company any worse than a person?

Sir ROBERT BEST.—This is an attempt to alter the law and make it operate retrospectively as from the year 1901.

Mr. GREENE.—It was considered originally that the company was liable.

Sir ROBERT BEST.—As a matter of fact, it is not, according to the law. This is consequently an attempt to make companies liable for a crime for which hitherto they were not liable. It is not a matter of a civil remedy. The civil remedy would be available where fraud was demonstrated. The clause is very technical, and the wrong committed may have been technical also. The company may be innocent, and the wrong may have been committed by its servant. Innumerable events and altered conditions take place over a period of eighteen years; for instance, the *personnel* of the management, and even of the shareholders' list, may have completely changed. I think, therefore, that it is unjust to attempt to make a company guilty of a crime by a retrospective section such as this is. There might, perhaps, be justification for making it retrospective for three, four, or five years at the very most. I would suggest three myself, because that would not do the grave amount of injustice that the present clause would, and all the probabilities are that the evidence for the defence would be immediately available within a more limited period. I therefore urge the Minister to reduce the period to three years, or, at the very most, to five. Eighteen years is unreasonable and unfair.

Mr. BRUCE SMITH.—Supposing there was no limitation provision at all? They would not be saved except under the statute of limitations.

Sir ROBERT BEST.—But this is fraud, and the statute of limitations would not apply in cases of fraud.

Mr. BRUCE SMITH.—It applies to certain criminal cases.

Sir ROBERT BEST.—Provision is frequently made in Acts which deal with offences such as fraud, limiting the prosecution to a period.

Mr. BRUCE SMITH.—If a man is prosecuted for a crime after twenty years when they find him out, why should we limit it to eighteen years in this case?

Sir ROBERT BEST.—The point is that companies are not liable at the present day.

Mr. GREENE.—If a company were discovered to have been guilty of defrauding the Customs by a continuous process for fifteen or twenty years, would you not go back for that period?

Sir ROBERT BEST.—If it was a continuous process of fraud, a prosecution for the latest offence would be sufficient for all practical purposes. The length of the period over which this clause is made retrospective is unfair and unreasonable, and puts it outside the power of a company to secure the proper evidence for the purposes of defence. It is not a question of civil remedy. The civil remedy should obtain, and I believe it would obtain, but the clause makes a company guilty of a crime which was not a crime in 1901, and is not a crime at the present day. With that exception the Bill is reasonable and fair, and I commend the Minister for its introduction.

Mr. HIGGS (Capricornia) [3.40].—The presence of our learned friend the honorable member for Parkes (Mr. Bruce Smith) inspires me to say a few words regarding one of the principles in this measure which have been overlooked by the Minister (Mr. Greene). The honorable member for Parkes is a Free Trader, and there are other Free Traders in the House. What I am about to say will no doubt find no favour with them. The Bill offers us

an opportunity of doing some great work for Australia by laying down certain principles which, if acted upon, will help to do away with social unrest in several parts of the world. I refer to the clause providing for prescribed forms, which shall be filled in by the people who import or export goods. I have in mind particularly the question of preferential trade. No doubt the Minister will in due time come down with a Customs Tariff Act providing for preferential duties, and no doubt the honorable member for Parkes, finding that Free Trade is an exploded superstition in the minds of the majority of the people of Australia, will abandon his Free Trade advocacy, and declare himself a thorough believer in preferential Tariffs. Why? Preferential trade offers a haven of refuge for the Free Trader. When the idea was first advocated in this House, the late Sir George Reid, Sir Joseph Cook, and other Free Traders confessed their belief in it.

Mr. BRUCE SMITH.—I was born a Free Trader.

Mr. HIGGS.—No doubt the honorable member still believes in Free Trade, and will die a Free Trader, and in the odour of sanctity. I suggest that the Minister should introduce into the Bill a prescribed form on which may be stated the rate of wages being paid in connexion with the goods which certain people will want to introduce into this country under a preferential Tariff. If we are going to give preferential trade to anybody, even to the United Kingdom, there ought to be provision made that, where preferential duties obtain, an exporter or importer, in order to get the benefit of them, must certify that the goods are made by labour paid at trade-union rates of wages for a trade-union number of hours. We have no right to give preference to people who have not the milk of human kindness in their breasts, and who have no consideration for their employees. I am glad to see that the honorable member for Parkes (Mr. Bruce Smith) is now present, because I wish to remind him of his words the other day, when he said honorable members were mistaken in thinking he knew anything about the Shipping Combine, because he had no interest in shipping, excepting so

far as the dividends which he draws are concerned. Honorable members should show a broad and tolerant religious spirit.

Mr. SPEAKER (Hon. W. Elliot Johnson).—I do not see that this has to do with the Customs Bill.

Mr. HIGGS.—I am sorry, sir. If allowed time, I might be able to connect my remarks. Thorold Rogers, the economist—

Mr. BRUCE SMITH.—We know who he is.

Mr. HIGGS.—Does the honorable member know that Thorold Rogers says that the workers of the world have gained more by trade unionism than by any other institution? No one to-day would deny the benefits and justice of trade unionism, which ought to be recognised in the certificates at the Customs Department. I should like the Minister, in the interval between now and when he introduces the Tariff Bill, to consider these few observations.

Mr. TUDOR.—I think that any procedure relating to the admission of goods under a preferential Tariff would more properly come under a machinery Bill than under a Tariff Bill.

Mr. HIGGS.—I believe the honorable member is quite right. The Bill will not pass this afternoon, and I hope the Minister for Trade and Customs will prepare a form of certificate such as I have suggested. I am not prepared to vote for preference to men who decline to recognise trade unionism, or who take no more interest in their employees than the honorable member for Parkes takes in shipping, but have regard only to the dividends which they produce. Every patriot, alleged and *bonâ fide*, can substantiate what I have said in regard to trade unionism. However strong a man may be in his belief that the British Empire has nothing to learn from any other Empire, he will admit that the sweater in the United Kingdom should not be able to introduce his goods here under a preferential Tariff with the same facility as may an upright, honest, fair-minded employer, whose interest goes beyond his dividends. I shall venture to test the feeling of the House when the Bill is in Committee; and I presume we may hope to get the support of all National Labour mem-

bers like the honorable member for Denison (Mr. Laird Smith), the honorable member for Hindmarsh (Mr. Archibald), our old friend, the honorable member for Herbert (Mr. Bamford), and even the honorable member for Wide Bay (Mr. Corser). I cannot, on the present occasion, point out the effect of such a policy on other nations, and the good that might ensue if we insisted on certificates of the kind. What objection could there be, for example, to giving preferential treatment to an exporter on the other side of the world, say in the United States of America, if he could prove that he paid a higher rate of wages, and worked his employees a fewer number of hours than any other?

Debate (on motion by Dr. MALONEY) adjourned.

#### ADJOURNMENT.

**SALE OF COPPER OUTPUT—APPOINTMENT OF FOURTH CLASS CLERKS: TAXATION DEPARTMENT—ARMY PAY CLERKS AND WAR BADGES—SEAMEN'S STRIKE—FOOD ON TRANSPORTS: "PORT LYTTLETON"—ENTERTAINMENTS TAX PROSECUTION—INFERNOR BOOTS—DEFENCE FORCE: PERMANENT INSTRUCTIONAL STAFF—DEPORTATIONS—PUBLIC SERVICE: PREFERENCE TO RETURNED SOLDIERS.**

**Mr. WATT** (Balaelava—Acting Prime Minister and Treasurer) [3.55]. — I move—

That the House do now adjourn.

I desire to deal very briefly with two matters I promised to inquire into during the course of the week. The honorable member for Darling (Mr. Blakeley) asked me a question regarding the answer to a request by certain mining companies for permission to dispose of their output of copper without reference to the Copper Producers Association. I have since conferred with the Acting Attorney-General (Mr. Groom), who has had the matter under his control for the last few weeks, and am now able to inform the honorable member for Darling that a conference was held on the 14th to 16th July, at which representatives of the Commonwealth and the State Governments were present, and at which the whole copper situation was discussed. As a result of the conference, an agreement was drawn

up and posted to the Premiers of the various States. Replies from all the States have not yet been received, so I am unable at present to make an announcement; but as soon as the matter is finalized, a statement on the subject will be made in the House.

The Leader of the Opposition (Mr. Tudor) on two occasions during the week inquired as to the proposed appointment of ten fourth class clerks in the Taxation Office. I have looked into the matter, which, from a rapid perusal of the file, I find is somewhat complicated and technical. The papers consist mainly of letters between the Public Service Inspector and the Public Service Commissioner, and it has already been ruled by past Governments that these are privileged documents, and should not be made available. Moreover, certain appeals are now being heard against the promotion of some of the officers concerned; and as, in a Public Service sense, the matter is *sub judice*, I do not think it wise to lay the papers on the Library Table as suggested.

**Mr. TUDOR** (Yarra) [3.56].—Since I first asked a question about these clerks, I have learned a little more about the matter. I understand that it was proposed to appoint ten fourth class clerks to the Taxation Department, and the desire of those concerned was to have the file made available for the purposes of an inquiry which is proceeding. I further understand that some, if not the whole, of these men were recommended by the Public Service Inspector, but were turned down by the Government, who, in effect, refused to accept efficiency as the ground for appointment. The case was taken to the High Court, which held that efficiency should be the ruling factor, and that there was the right of appeal. I do not know any of these men, and I am not discussing the merits of their case; but I am told that the Inspector holds that the most efficient men should be selected. If there is anything that the Public Service Act stands for, it is the recognition of efficiency, to the exclusion of favoritism; but if the Government can ignore the recommendations of the Inspector, based as they are on efficiency, the whole basis of the Act is broken down. I know that Senator Millen said, in an-

other place, that these were State papers, and could not be made available; and this I regret very much. I am informed that both the Public Service Inspector and the Public Service Commissioner are at variance with the decision of the Government in the matter; and certainly the course adopted by the Government is not one likely to prove of benefit to the Public Service as a whole.

**Mr. WISE** (Gippsland—Assistant Minister for Defence) [3.59].—On Friday last, in answer to the honorable member for New England (Lt.-Colonel Abbott), I stated that the matter of giving badges to Army pay clerks who left Australia after the Armistice, was being further considered. I have since been officially informed that returned soldiers' badges would not be issued to personnel of the Australian Imperial Force who embarked after the date of the armistice.

**Mr. MATHEWS** (Melbourne Ports) [4.1].—I gather from this afternoon's Melbourne *Herald* that the Government have refused the request of the executive of the Seamen's Union. In common with many other honorable members I have not interfered in this matter, because I think it best that the head of the Government and the Seamen's Union should deal with it. But seeing that everybody desires a settlement of the existing dispute, I am of opinion that the Government might have conceded that request. Of course, they may have their reasons for declining to do so, but, nevertheless, I am sorry that some arrangement has not been arrived at.

I wish now to say a few words regarding the food supplied to our returned soldiers on the voyage from the other side of the world. It seems to me that there has to be a mutiny on a vessel before any exposure can be made of what takes place there. Quite recently we witnessed the sorry spectacle of the honorable member for Adelaide (Mr. Yates) being gaoled for having done his duty. He was gaoled innocently. I followed his case pretty closely, and I have not the slightest doubt that he was gaoled because he exhibited a little human feeling. Now, the trampship *Port Lyttelton* arrived here on Tuesday and is still in port. Seven of the men

who returned by her have assured me that the stew supplied to the soldiers on board, especially after leaving South Africa, was quite inedible. Now, any man can make a stew which is palatable. Yet these young men positively affirm that the stew supplied the troops on that vessel was so bad that it could not be eaten. They also allege that their raisin pudding was to all intents and purposes, bullets. As they could not reach their Officer Commanding, they placed some very hard puddings outside his cabin door and he ordered them to be thrown overboard.

**Mr. BURCHELL**.—Who is the Officer Commanding?

**Mr. MATHEWS**.—I think that his name is Weld. The boys have assured me that had it not been for the bread and jam which was served to them they could not have subsisted. I desire to know whether the Government will agree to two returned soldiers on the other side of the Chamber, and two from this side, being appointed a Committee to confer with the troops who returned by the vessel in question, in order that they may learn the facts as to how they were treated on the way out. The men admit that the food could have been worse. But they say that in France with their own regimental cooks they obtained much better fare. The captain of the *Port Lyttelton* endeared himself to the men, who made him a presentation before their departure from the vessel, but the Officer Commanding did not see that the troops were properly fed on the voyage out here. I would like to know whether the Government can see their way to agree to my suggestion.

**Mr. HECTOR LAMOND** (Illawarra) [4.7].—Before the illness of the Treasurer (Mr. Watt) I intimated that I would bring before the House some facts in connexion with the collection of the entertainments tax in New South Wales. It appears that on the 22nd March an entertainment was given in my district to aid in the purchase of instruments for the Bulli and Woonona town band. A miner was the secretary of the movement—a man who has given a good deal of his time to charitable entertainments. On the afternoon that this entertainment was to take place he was very busy, and accordingly

asked a young man to go to the post-office and procure the amusements tax tickets. This young man was delayed by a game of football, and as a result, when he arrived at the post-office he found that it was closed. The Committee then had either to postpone the entertainment at an hour's notice or to proceed, and afterwards settle matters with the Department. They naturally decided to proceed, and the entertainment was duly held. The following day an inspector from the Taxation Department interviewed the secretary of the movement, and on the 24th March the full amount of the tax, together with a complete explanation of all the circumstances was forwarded to the Department. Notwithstanding this fact, proceedings were instituted against the secretary, and upon the summons being received a gentleman, who had interested himself in the matter, wrote to the solicitor who had been engaged by the other side, intimating that the secretary would plead guilty, that the circumstances had already been explained to the Department, and asking that no witnesses be called, and that as light a penalty as possible be inflicted. Notwithstanding this, the Department sent its inspector down to the Court, claimed his expenses for appearing there, and also professional costs in the case. These claims were so outrageous that the magistrate, who heard the case, commented upon the excessive costs, and intimated that if any application for a remission of them were made to the Department he would support it. This is not merely a case affecting a miner at Bulli. We intrust the officers of the Taxation Department with the exercise of the most autocratic powers, and we are told that they administer their Department in the spirit in which Parliament intended it to be administered—in other words, that they exercise sweet reasonableness on all occasions. But I can point to another case in the Department, showing that this is not so, and that taxpayers are proceeded against for the most trivial offences. Regard is not always paid to the fact that a great number of taxpayers are ordinary working men who think that a difficulty can be adjusted if right be on their side, merely by interviewing the head of the Department. With reference to the case of the

Bulli band, I wrote to the Deputy Commissioner in New South Wales and received a letter to the effect that he had no jurisdiction to reduce the penalty imposed by the Court. He does not indicate that any one in the Department has power to remit the fine, or to meet the case in any way. If that power does not rest with some official in the Department, it should do so. It is not right that any one officer in a Department should be able, in the circumstances I have outlined, to inflict upon an ordinary working man a penalty that may represent two or three weeks of his labour and that there should be no redress. I hope that it will be found that some one has power to interfere with this autocratic administration of the Department, and that a more reasonable attitude will be adopted towards people who have no desire to infringe the law, but seek rather to benefit their fellows by their association with patriotic or charitable enterprises.

**Dr. MALONEY** (Melbourne) [4.11].—I desire to bring under the notice of the Acting Prime Minister (Mr. Watt) the following letter from two returned soldiers:

Modella, 4th August, 1919.  
Dr. Maloney,

Dear Sir.—Please excuse the liberty I am taking in addressing you, but, knowing you so long, and that you are always ready to expose a wrong action, I am sending you one of a pair of boots which my mate bought Friday, the 1st August, and only had them on his feet on Saturday, 2nd August. There is no occasion for me to say anything about them; you can judge them yourself. The name stamped on the sole was "Ajax," and the price paid for them was £1 2s. 6d. in Bunyip. We are two returned soldiers trying to make an honest living, but how can you expect us to be honest to our fellow-beings if such examples as this are allowed to be played upon us. Once again I crave your indulgence for addressing you.

We are,

Dear sir,

Yours most respectfully,

J. H. HOLMES,

T. J. SQUIRES,

Returned Soldiers.

I produce the boot, and honorable members will see for themselves the state it is in. It is of the type sold before the war

at 10s. 6d. per pair. It is supposed to be a watertight boot, tongue-fastened in the ordinary way. I have submitted it to an expert, who tells me that the leather is of the most inferior quality. Surely it is time to take action against the exploiters and others who are battening upon, not only the general public, but our returned soldiers.

**Mr. BURCHELL** (Fremantle) [4.14].—I would urge upon the Acting Prime Minister that some inquiry should be instituted, without delay into the complaints made by the honorable member for Melbourne Ports (Mr. Mathews). My knowledge of the conditions obtaining on the other side of the world convinces me that there should not be any difficulty in obtaining good food on a transport. All the transports before leaving the Old Country are specially examined, not only by responsible officers of the Defence Department, but by an honorable member of this House (Mr. Heitmann). Before a transport leaves port, the accommodation set apart for the men, the general living conditions, the cooking facilities on board, and the food supply are specially investigated. It is because of this knowledge that I urge the Government to have a special investigation made of the complaints regarding the conditions prevailing on the *Port Lyttelton*. We cannot allow our soldiers, whether their period of war service has been long or short, to come back here with complaints regarding the food supply on board transports. The honorable member for Melbourne Ports stated that when the complaint was voiced the men could not meet the Officer Commanding the troops on board. That, to me, is absolutely unthinkable.

**Mr. MATHEWS**.—I have known the same sort of thing to happen here in Melbourne. I have known officers to be unable to reach the Commandant.

**Mr. BURCHELL**.—The honorable member will admit that the circumstances are not the same. When men are on board ship for six or seven weeks, the opportunities for approaching the Officer Commanding Troops are innumerable. These men should have pressed their case more strongly than they did. I am not advocating insurrection—

**Mr. MATHEWS**.—That is my point. The men have to mutiny to have their complaint attended to.

**Mr. BURCHELL**.—No; there is a ready means by which these grievances can be redressed. I am entirely with the honorable member in asking for an investigation, which would be in the interests of, not only the men themselves, but the ship and officers in charge.

**Mr. HECTOR LAMOND**.—Is any one interested in the supply of bad food? Is it a contract matter?

**Mr. BURCHELL**.—I think it was; but I understand that most of the ships now carrying troops are not coming out as transports in the ordinary sense. The various Governments, and particularly the Commonwealth Government, are paying a *per capita* rate for the transport of the men.

**Mr. MATHEWS**.—The boys have no feeling against the skipper of the ship, because they have made him a presentation.

**Mr. BURCHELL**.—Exactly. I want the matter to be cleared up, because it is manifestly wrong that such a condition of affairs should be permitted on any ship. I could have understood such trouble occurring immediately after the signing of the Armistice, because at that time the food position in the Old Country was entirely different from what it must have been when these men left about June last. Plenty of time had elapsed after the signing of the Armistice to allow food conditions to improve.

**Mr. CORSER**.—They have not improved to any extent in the matter of prices.

**Mr. BURCHELL**.—I am speaking more particularly of the quantity and quality of the food. There is no question that supplies from Canada and the United States of America reached the Old Country within a few months of the signing of the Armistice. I urge the Acting Prime Minister to agree to the request made by the honorable member for Melbourne Ports; and I believe that, as suggested by him, there should be a special, rather than an ordinary, departmental inquiry.

**Mr. FENTON** (Maribyrnong) [4.18].—I desire to bring under the notice of

the Assistant Minister for Defence (Mr. Wise) the position in regard to the appointment of permanent instructional officers to the Citizen Defence Forces. Some twelve or eighteen months after the outbreak of the war I made representations in this House to the effect that a number of men who were anxious to enlist could not do so because they were below the standard height of 5 ft. 5 in. The result was that the standard was reduced to 5 ft. 3 in., and hundreds of men able to conform to the reduced standard enlisted, and went to the Front. Many of them had served as sergeant-majors before the war, and some of them were told, by means of circular, that if they applied to go to the Front their action would be regarded as a breach of discipline, because their services were required in Australia to train members of the Australian Imperial Force. Some of these men have returned only to find that, because they do not come up to the old standard of 5 ft. 5 in., and have a chest measurement of less than 37 inches, they are debarred from appointment to the permanent Instructional Staff, notwithstanding that they have qualified by examination and otherwise for such appointments. These men ought not to be debarred from entering the Permanent Forces.

**Mr. HIGGS** (Capricornia) [4.20].—Will the Acting Prime Minister be good enough to have the report of the Committee which dealt with the Government's attitude towards internees and persons proposed to be deported from Australia printed? After the Minister (Mr. Groom) spoke the other day, I made application for the reports, which he said had been printed; but I find that they are out of print. The one was dated 1914 and the other 1917.

**Mr. WATT** (Balaclava)—Treasurer and Acting Prime Minister) [4.21].—In conversation with the Acting Attorney-General (Mr. Groom), I find that the report referred to by the honorable member for Capricornia (Mr. Higgs) has not yet been laid on the table. Next week I shall take the opportunity of ascertaining the reasons for the delay, and inform the honorable member accordingly.

In regard to the *Port Lyttleton* case, I have heard nothing about it, except what I have heard to-day. The Government have been extremely gratified during recent months at the success attending the arrangements for food supplies and other matters in connexion with troopships bringing returning soldiers to Australia, and we are sorry indeed to hear of any recrudescence of the earlier troubles. I shall take the opportunity of conferring with the Acting Minister for Defence (Senator Russell), to see what inquiry is advisable in the matter. The Government are anxious that the men should understand that every care will be exercised at this end or at the London end; and, if success in that direction is not achieved, we want to know the reason for it.

**Mr. BURCHELL**.—That makes the *Port Lyttleton* case all the more incomprehensible.

**Mr. WATT**.—I know the work done by the honorable member for Kalgoorlie (Mr. Heitmann) at the London end. In fact, he has taken the extra precaution, quite unmilitary, of picking out half-a-dozen men in every boat, after his inspection, and asking them to report, either in person or by letter, to the head of the Government in Australia all about the trip, the food, the accommodation, the treatment by officers, the arrangements for exercise, and so forth. I have received a great number of letters from the men whom he picked—reliable types of “diggers,” sometimes privates, sometimes non-commissioned officers, but never commissioned officers—all expressing, I think without exception, gratification at the success attending the work.

**Mr. MATHEWS**.—I would like to hear the report of the men on the *Port Lyttleton*.

**Mr. WATT**.—I do not know whether any reports have been received in connexion with that vessel; but, in the interests of the system, as well as in the interests of the men, I shall go into the matter, and ascertain from the Acting Minister for Defence what action he proposes to take.

I was struck by the remarks of the honorable member for Illawarra (Mr.

Hector Lamond) about the Bulli case, in connexion with the entertainments tax. It does not matter how fine the man at the head is, difficulties are bound to arise over a tax of this kind. I realize that it is a very unpopular tax, and that, even if it be administered with remarkable and unusual discretion, it will cause irritation amongst great numbers of people who are not professional entertainment promoters. I should expect the officers in charge, and mainly responsible, to exercise a little discretion in launching prosecutions, especially immediately after a blunder has been made and a full explanation and voluntary payment of the full tax has been forwarded. I shall ask the Taxation Commissioner to furnish me with a report on this case.

Mr. TUDOR.—What about the Public Service case, to which I drew attention?

Mr. FENTON.—What about the 5-ft. 3-in. men?

Mr. WATT.—I was struck by the eloquent case put up by my 6-ft. friend from Maribyrnong; and I shall ask the Assistant Minister for Defence (Mr. Wise) to note his remarks.

I forget quite what representations were made by the Leader of the Opposition (Mr. Tudor); but Parliament has made the Public Service Commissioner an independent officer. No Minister of the Crown is permitted to tell him what he shall or shall not do.

Mr. TUDOR.—The complaint is that the Government have distinctly turned down his recommendations, and told him that he must not consider efficiency, but must appoint certain men.

Mr. WATT.—My perusal of the file, which is complicated and technical, was hurried; but I wish to correct the honorable member's statement. The Commissioner has his own views, and I have not endeavoured to influence him on any matter except in regard to the prosecution of a policy which the Government have laid down, and which is provided by Statute, namely, preference to returned soldiers. In this case there is an instance of the kind. I ask honorable members not to give credence to any unsupported testi-

mony as to the attitude of the Government or the Public Service Commissioner.

Mr. HECTOR LAMOND.—There is a good deal of quiet opposition in every Department to the policy of preference to returned soldiers.

Mr. WATT.—The honorable member will credit me when I say that I know there is passive resistance in certain quarters to the effective carrying out of the policy to which both sides of the House, without respect to party, are happily pledged—that of giving preference to returned soldiers; but, quite apart from giving effect to that policy, there are difficulties in applying it in some cases. There is one case which I have promised to look into, at the request of several honorable members, that of the postal electricians, where complicated promises have been made to the men. I was speaking about it to the honorable member for Maribyrnong (Mr. Fenton) to-day. It is difficult to apply the policy of preference to returned soldiers in the spirit without hurting some men whom it is hard to have to hurt. The House voluntarily and repeatedly affirmed that preference of a certain kind shall be given, and the Government are endeavouring to observe that policy in the spirit in which it was laid down.

Mr. MATHEWS.—Has the Minister anything to say about the seamen? Has he seen the *Herald*?

Mr. WATT.—I have not. I do not often read the *Herald*. On Friday night the honorable member will go to the Flinders-street station, and as he proceeds through the gates, there will be a boy, who will say to him, "Herald or Truth?"

Mr. TUDOR.—And you buy *Truth*?

Mr. WATT.—Notwithstanding all the delightful effects of the consumption of truth, I sometimes prefer the *Herald*. However, I have not seen it to-day. I do not know what it contains, and what has transpired this afternoon in the matter of the seamen's strike, which is being attended to by my friend, Senator Millen.

Question resolved in the affirmative.

House adjourned at 4.28 p.m.

# Members of the House of Representatives.

*Speaker*—The Honorable William Elliot Johnson.

*Chairman of Committees*—The Honorable John Moore Chanter.

10 Abbott, Lieut.-Colonel New England	Percy Phipps, C.M.G.	(N.S.W.)	Johnson, Hon. William Lang (N.S.W.)
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Atkinson, Llewelyn	Wilmot (T.)		Lamond, Hector .. Illawarra (N.S.W.)
4 Bamford, Hon. Frederick Herbert (Q.)	William		Leckie, John William .. Indi (V.)
Bayley, James Garfield	Oxley (Q.)		Lister, John Henry .. Corio (V.)
Best, Hon. Sir Robert Kooyong (V.)	Wallace, K.C.M.G.		Livingston, John .. Barker (S.A.)
Blakeley, Arthur	Darling (N.S.W.)		Lynch, John .. Werriwa (N.S.W.)
3 Boyd, Hon. James Arthur	Henty (V.)		Mackay, George Hugh .. Lilley (Q.)
Brennan, Frank	Batman (V.)		Mahony, William George .. Dalley (N.S.W.)
9 Bruce, Stanley Melbourne	Flinders (V.)		Maloney, William .. Melbourne (V.)
Burchell, Reginald John	Fremantle (W.A.)		12 Manifold, Hon. James Corangamite (V.)
Catts, James Howard	Cook (N.S.W.)		Chester
Chanter, Hon. John Moore	Riverina (N.S.W.)		Mathews, James .. Melbourne Ports (V.)
Chapman, Hon. Austin	Eden-Monaro (N.S.W.)		Maxwell, George Arnot .. Fawkner (V.)
4 Charlton, Matthew	Hunter (N.S.W.)		McDonald, Hon. Charles .. Kennedy (Q.)
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Cook, Right Hon. Sir	Parramatta (N.S.W.)		McWilliams, William Franklin (T.)
Joseph, P.C., G.C.M.G.			James
13 Corboy, Edwin Wilkie	Swan (W.A.)		Nicholls, Samuel Robert .. Macquarie (N.S.W.)
3 Corser, Edward Bernard	Wide Bay (Q.)		Orchard, Hon. Richard Nepean (N.S.W.)
Cresset			Beaumont
Falkiner, Franc Brereton Hume	(N.S.W.)		Page, Hon. James .. Maranoa (Q.)
Sadleir			Palmer, Albert Clayton .. Echuca (V.)
Fenton, James Edward	Maribyrnong (V.)		Pigott, Henry Robert Calare (N.S.W.)
Finlayson, William Fyfe,	Brisbane (Q.)		Maguire
Fleming, William Mont-	Robertson (N.S.W.)		Poynton, Hon. Alexander Grey (S.A.)
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11 Forrest, Right Hon. Lord	Swan (W.A.)		Rodgers, Arthur Stanis- Wannon (V.)
P.C., G.C.M.G.			lau
Foster, Hon. Richard Wakefield	(S.A.)		Ryrie, General Granville North Sydney
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Fowler, Hon. James Perth	(W.A.)		5 Salmon, Hon. Charles Grampians (V.)
Mackinnon			Carty
14 Gibson, William Gerrand	Corangamite (V.)		Sampson, Sydney .. Wimmera (V.)
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1 Howroyd, Charles Richard	Darwin (T.)		Tudor, Hon. Frank Yarra (V.)
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William Morris, P.C.,			Wallace, Cornelius .. West Sydney (N.S.W.)
K.C.			Watkins, Hon. David .. Newcastle (N.S.W.)
7 Irvine, Hon. Sir William Flinders	(V.)		Watt, Hon. William Balaclava (V.)
Hill, K.C.M.G., K.C.			Alexander
Jensen, Hon. Jens August Bass	(T.)		Webster, Hon. William .. Gwydir (N.S.W.)
			West, John Edward .. East Sydney (N.S.W.)
			Wise, Hon. George Henry .. Gippsland (V.)
			Yates, George Edwin .. Adelaide (S.A.)

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D. F. LUMSDEN,  
Acting Principal Parliamentary Reporter.

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\* Discharged from attendance, 22nd May, 1918.

† Appointed 29th May, 1918.

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\* Appointed 17th July, 1919.